Australian Government
Anti-Dumping Commission

EXPORTER QUESTIONNAIRE

PRODUCT CONCERNED:	ZINC COATED (GALVANISED) STEEL FROM INDIA AND THE SOCIALIST REPUBLIC OF VIETNAM
INVESTIGATION PERIOD:	1 JULY 2013 - 30 JUNE 2014
RESPONSE DUE BY:	18 AUGUST 2014 (extended to 3 September)
ADDRESS FOR RESPONSE:	Anti-Dumping Commission Customs House 1010 La Trobe Street Docklands VIC 3008 Australia Attention: Director Operations 1
CASE MANAGER: TELEPHONE: E-MAIL:	Ms Heidi Matuschka +61 3 9244 8562 operations1@adcommission.gov.au

Please note that a non-confidential version of the reply to this questionnaire must also be provided.

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BACKGROUND AND GENERAL INSTRUCTIONS

1. BACKGROUND

Following an application by BlueScope Steel Limited (BlueScope), an Australian industry member, the Anti-Dumping Commission (the Commission) has initiated an investigation into the allegation that zinc coated steel (galvanised steel) from India and the Socialist Republic of Vietnam (Vietnam) has been exported to Australia at dumped prices, and because of that dumping material injury has been caused to an Australian industry producing like goods.

A notice advising initiation of the investigation was published in *The Australian* on 11 July 2014. Anti-Dumping Notice (ADN) No. 2014/55 outlining the details of the investigation, and the procedures to be followed during the investigation, can be accessed on the Commission's website at www.adcommission.gov.au.

2. THE GOODS UNDER CONSIDERATION

Description

The goods under consideration (the goods) i.e. the goods exported to Australia, allegedly at dumped prices, are described by the applicant as follows:

> *'Flat rolled iron or steel products (whether or not containing alloys) that are plated or coated with zinc exported to Australia from India and Vietnam.'*

The goods are generically called galvanised steel (referring to zinc coated steel) and include galvanised steel of any width.

Additional information

Further information in relation to the goods was provided in the application as follows:

> *The goods include the same categories of goods as identified in Trade Measures Report Nos. 190 and 193, however, this application also includes goods that are alloyed (i.e. with minor additions, e.g. boron, chromium, etc.). The goods the subject of this application include all zinc coated product options, including all grades/models of zinc coated steel, all coating mass classes and all surface treatments.*
>
> *Trade or further generic names often used to describe these goods include:*
>
> - *"GALVABOND®" steel*
> - *"ZINCFORM®" steel*
> - *"GALVASPAN®" steel*
> - *"ZINCHITEN®" steel*
> - *"ZINCANNEAL" steel*
> - *"ZINCSEAL" steel*
> - *Galv*
> - *GI*
> - *Hot Dip Zinc coated steel*
> - *Hot Dip Zinc/Iron alloy coated steel*
> - *Galvanneal*
>
> *The amount of zinc coating on the steel is described as its coating mass and is nominated in grams per meter squared (g/m2) with the prefix being Z (zinc) or ZF*

(zinc converted to a zinc/iron alloy coating). The common coating masses used for zinc coating are: Z350, Z275, Z200/Z180, Z100, and for zinc/iron alloy coatings ZF100, ZF80 and ZF30 or equivalents based on international standards and naming conventions.

Surface treatments can include but not be limited to: passivated or not passivated (often referred to as chromated or unchromated), oiled or not oiled, skin passed or not skin passed, phosphated or not phosphated (for zinc iron alloy coated steel only).

Excluded from the definition of the goods the subject of this application is painted galvanised steel, pre-painted galvanised steel, electro-galvanised steel, corrugated galvanised steel or aluminium zinc alloy coated or plated steel.

<u>Tariff Classification</u>

The application stated that the goods are classified to the following tariff subheadings:

- 7210.49.00 (statistical codes 55, 56, 57 and 58);
- 7212.30.00 (statistical code 61);
- 7225.92.00 (statistical code 38); and
- 7226.99.00 (statistical code 71).

The goods exported to Australia from India and Vietnam are subject to a DCS duty rate which is free for non-alloy steel under 7210.49.00 and 7212.30.00 and is 4% for 'other alloy' steel under 7225.92.00 and 7226.99.00.

There are several Tariff Concession Orders applicable to tariff classification subheadings 7210.49.00, 7225.92.00 and 7226.99.00 for galvanised steel.

3. INVESTIGATION PERIOD

The existence and amount of any dumping in relation to galvanised steel exported to Australia from India and Vietnam will be determined on the basis of an investigation period from <u>1 July 2013 to 30 June 2014</u> (hereinafter referred to as 'the investigation period').

The Commission will examine details of the Australian market from 1 July 2008 for injury analysis purposes.

4. WHY YOU HAVE BEEN ASKED TO FILL OUT THIS QUESTIONNAIRE?

Your company has either been identified in BlueScope's application, by an importer of galvanised steel or in data contained within the Australian Customs and Border Protection Service's (ACBPS') import database as a potential exporter of galvanised steel to Australia during the investigation period.

Consequently, the Commission has forwarded you this questionnaire and the associated Excel spreadsheet '*Galvanised Steel - exporter questionnaire supporting data*' to provide you with the opportunity to participate and cooperate with the investigation.

The Commission will use the information you provide to determine normal values and export prices over the investigation period. This information will determine whether galvanised steel is dumped. You may make separate submissions concerning any other matter, for example injury.

The Commission investigation will be carried out under the provisions of the Part XVB of the *Customs Act 1901*. These provisions reflect the World Trade Organisation (WTO) *Anti-Dumping Agreement* (WTO Agreement).

5. WHAT HAPPENS IF YOU DO NOT RESPOND TO THIS QUESTIONNAIRE?

You do not have to complete the questionnaire. However, if you do not respond, the Commission may be required to rely on information supplied by other parties in making its assessments as to whether galvanised steel exported to Australia was dumped (this may include information supplied by the Australian industry).

If you do not provide all of the information sought, or if you do not allow the Commission to verify the information you provide (see below), it may deem that you did not cooperate with the investigation.

In these cases the Commission may assess a dumping margin for your company based upon normal values that may be the highest determined in your country during the investigation period.

It is the Commission's objective to arrive at a recommendation to the Parliamentary Secretary to the Minister for Industry based on a full knowledge of all relevant facts. This can only be achieved if exporters cooperate. The Commission considers that your interests would be best served by providing a complete and accurate submission, capable of verification.

6. IF YOU DECIDE TO RESPOND

Should you choose provide a response to this questionnaire, please note the following:

For Official Use Only and Public Record versions

If you choose to respond to this questionnaire, you are **required** to lodge a 'FOR OFFICIAL USE ONLY' version and a 'PUBLIC RECORD' version of your submission by the due date (as specified on the cover page to this questionnaire).

In submitting these versions, please ensure that **each page** of the information you provide is clearly marked either 'FOR OFFICIAL USE ONLY' or 'PUBLIC RECORD'.

All information provided to the Commission is for official use only will be treated accordingly.

The Public Record version of your submission will be placed on the Public Record. The Public Record is available to all interested parties who may comment on the material on the Public Record. Other interested parties have the opportunity to comment on issues you have raised.

It is **not** expected that the Public Record version of your submission would include commercially sensitive information. However, it must contain sufficient detail to allow a reasonable understanding of the substance for the Official Use Only version. As provided for in Australia's anti-dumping legislation, all public version submissions are required to have a bracketed explanation of deleted or blacked out information. Note that if such an explanation is not provided, the Commission may disregard the information in the submission. An example of a statement to accompany deleted/blacked out text is:

[explanation of cost allocation through the divisions].

If, for some reason, you cannot produce a Public Record version, please contact the investigation Case Manager (see contact details on the cover page of this questionnaire).

You can access the Public Record electronically online at www.adcommission.gov.au (follow the links to 'Cases and Electronic Public Record' and 'Current Cases').

Declaration

You are required to make a declaration at Section H that the information contained in your submission is complete and correct. Alternatively, if you did not export the goods during the investigation period, you may make a declaration to that effect.

You must return a signed declaration with your response to the questionnaire.

Consultants/parties acting on your behalf

If you intend to have another party acting on your behalf please advise the Commission of the relevant details.

The Commission will generally require written authorisation from exporters and manufacturers for any party acting on its behalf.

7. DUE DATE FOR RESPONSE

Manufacturers and exporters are requested to respond to this questionnaire and return it to the Commission within the time specified on the cover page.

There is a statutory time limit imposed for the investigations. The Commission may not be able to consider submissions received after the due date if to do so would prevent meeting the statutory reporting requirements.

The Commission would encourage you to make contact with the Case Manager (see contact details on the cover page to this questionnaire) if you need any assistance in completing the questionnaire.

If you intend to lodge a submission but cannot do so by the due date please advise the Case Manger as soon as possible.

In considering whether or not to grant an extension of time, regard is had to the following:

a) difficulties in translation of documentation, including the exporter questionnaire;
b) availability of key staff;
c) public holidays; or
d) any circumstance outside the company's control.

The Commission may consider granting a small extension of time for lodgement of your submission if you provide a sufficient reason as outlined above.

You may lodge your response by mailing it to the address for lodgement shown on the cover page of this questionnaire, with data requested in electronic format provided on a CD-ROM (see point 11 below).

Alternatively, you are welcome to lodge your response by email. The email address for lodgement is shown on the cover page of this questionnaire. If you lodge by email you are still required to provide a confidential and a non-confidential version of your submission by the due date.

8. VERIFICATION OF THE INFORMATION THAT YOU SUPPLY

After you have submitted the questionnaire and the Commission is satisfied that the information you have provided is sufficiently complete and warrants verification, the Commission may seek to visit your company to verify the information provided.

The purpose of the visit is to verify the information submitted in response to this questionnaire. It is not meant to be a chance for you to provide new or additional information. The Commission expects your response to the questionnaire to be complete and accurate.

Verification visits may take several days. During this verification, the Commission's representatives will want to examine in detail your company's records in respect of the goods and will ask for copies of documents relating to the manufacture and sale of the goods. They will need to consult with your staff, particularly your financial controller (or accountant) and your domestic and export sales people. They may also need to see your factory, in which case they will need to consult with your operational managers.

After gathering the information, the Commission will prepare a report of the visit. Its representatives will provide you with a draft of the report and then respond to any questions you have. They will ask you to prepare a non-confidential copy of the report for the Public Record.

9. OUTLINE OF INFORMATION REQUIRED BY THIS QUESTIONNAIRE

Section A	General information relating to your company, including financial reports.
Section B	A complete list of your company's exports to Australia over the investigation period.
Section C	A list of goods sold on the domestic market of the country of export (like goods) that may be compared to the goods under consideration.
Section D	A detailed list of all of your company's sales of like goods in your domestic market.
Section E	Information to allow a fair comparison between export and domestic prices.
Section F	Information in relation to your company's exports of like goods to countries other than Australia.
Section G	Costs to make and sell, for exports to Australia and for the domestic market.
Section H	Your declaration.
Section I	Submission checklist.
Appendix 1	A glossary of terms used in this questionnaire.

10. GENERAL INSTRUCTIONS FOR PREPARING YOUR RESPONSE

- When answering the questionnaire please carefully read all instructions. The Commission requires a response to **all** sections of this questionnaire. Please provide an explanation if a question is not relevant to your situation.
- All documents and source material submitted in response to this questionnaire, including financial statements, must be translated into English.
- Answer questions in the order presented in the questionnaire. Please ensure that information submitted conforms to the requested format and is clearly labelled. Please repeat the question to which you are responding and place your answer below it.
- Identify source documents and advise where they are kept. During on-site verification you should be prepared to substantiate all the information you have submitted. Every

part of the response should be traceable to company documents that are used in the ordinary course of business.

- We recommend that you retain all work sheets used in answering the questionnaire, in particular those linking the information supplied with management and accounting records. This will help us to verify the information.
- Clearly identify all units of measurement and currencies used. Apply the same measurement consistently throughout your response to the questionnaire.

11. INSTRUCTIONS ON PROVIDING ELECTRONIC DATA

- It is important that, where requested, information is submitted in electronic format.
- Electronic data can be submitted directly by email to the email address shown on the cover page of this questionnaire, or can submitted on a CD-ROM by mail.
- The data must be created as spreadsheet files, preferably in Microsoft Excel, or alternatively in an Excel compatible format (for example, Excel can normally access data in Dbase or as an ASCII file). The Excel files must be compatible to the USA version.
- An Excel spreadsheet, *'Galvanised Steel - exporter questionnaire supporting data'* accompanies this questionnaire and forms a template for your response to the data requested. The spreadsheet is referred to throughout this questionnaire as appropriate. This spreadsheet (and the worksheets therein) should be completed and used to provide the requested data where possible.
- If you cannot present electronic data in the requested format contact the investigation Case Manager as soon as possible.
- Responses to questions should be as accurate and complete as possible and attach all relevant supporting documents, even where not specifically requested in this questionnaire.

Please note that answers such as 'Not Applicable' or an answer that only refers to an exhibit or an attachment may not be considered by the Commission to be adequate. The Commission therefore suggests that in answering the questions you outline the key elements of your response in the primary submission document, rather than merely pointing to supporting documents of varying degrees of relevance and reliability as your answer.

12. FURTHER INFORMATION

Before you respond to the questionnaire you should read all the key documentation related to this application, including ADN 2014/55 (notifying the initiation of the investigation) and the glossary of terms. It is also recommended that you access and read the non-confidential version of BlueScope's application which is available online on the electronic Public Record at www.adcommission.gov.au (follow the links to current cases and electronic public record).

If you require further assistance, or you are having difficulties completing your submission, please contact the investigation Case Manager.

Please note that the Commission may send you a supplementary questionnaire if it needs to clarify matters provided by you in the response to this questionnaire, or to seek new information.

SECTION A - COMPANY STRUCTURE AND OPERATIONS

This section requests information relating to company details and financial reports.

A-1 IDENTITY AND COMMUNICATION

Please nominate a person within your company who can be contacted for the purposes of this investigation:

Head Office:

Name: **Mr. Sharad Mahendra**
Position in the company: **Senior Vice President Sales Flat Products (Domestic & Exports)**
Address: **JSW Centre, Bandra Kurla Complex, Bandra – East, Mumbai. Pin Code - 400 051, India.**
Telephone: **+91-22- 4286-7118**
Facsimile number:**+91-22-4286-3000**
E-mail address of contact person: sharad.mahendra@jsw.in

Factories/Plants:

1. **Vijayanagar Works**
   Address: P.O. Vidyanagar, Torangallu, Dist. Bellary – 583275, Karnataka State, India.
   Telephone: +91(8395)250120
   Facsimile number:+91(8395)250138/250665
   E-mail address of contact person: rajendra.kapoor@jsw.in
   Note : Manufacturer of goods under consideration

2. **Dolvi Works**
   Address: Geetapuram, Dolvi, Taluka Pen, Dist. Thane – 421604, Maharashtra State, India.
   Telephone: +91(2143)277501
   Facsimile number:+91(2143)277605
   E-mail address of contact person: Pradeep.Bhargava@jsw.in
   Note : Not a Manufacturer of goods under consideration

3. **Salem Works**
   Address: Pottaneri, Mecheri, Mettur Taluk. Dist Salem – 421604, Tamil Nadu State, India.
   Telephone: +91(4298)278000
   Facsimile number:+91(4298)272272
   E-mail address of contact person: boopalan.periaswamy@jsw.in
   Note : Not a Manufacturer of goods under consideration

A-2 REPRESENTATIVE OF THE COMPANY FOR THE PURPOSE OF INVESTIGATION

Name:	**Mr. ANDREW PERCIVAL**
Organisation:	**CORRS CHAMBERS WESTGARTH**
Position:	**SPECIAL COUNSEL**
Address:	**GPO BOX 9925, SYDNEY NSW 2001**

Telephone: **+61- 02- 92106228**
Facsimile/Telex number: **+61-02-92106611**
E-mail of contact person: **andrew.percival@corrs.com.au**

Name: **Mr. SANJAY NOTANI**
Organisation: **ECONOMIC LAWS PRACTICE**
Position: **PARTNER**
Address: **109-A Wing, Dalamal Towers, Nariman Point, Mumbai 400021 India.**
Telephone: **+91 22 6636 7000**
Facsimile/Telex number: **+91-22-66367172**
E-mail of contact person: **sanjaynotani@elp-in.com**

Note that in nominating a representative, the Commission will assume that confidential material relating to your company in this investigation may be freely released to, or discussed with, that representative.

A-3 COMPANY INFORMATION

1. What is the legal name of your business? What kind of entity is it (e.g. company, partnership, sole trader)? Please provide details of any other business names that you use to export and/or sell goods.

   Response:
   The legal name of the cooperating producer is JSW Steel Limited (JSL/the company). It is a public limited company. No other business name is being used by JSW Steel Limited to export and / sell goods.

2. Who are the owners and/or principal shareholders? Provide details of shareholding percentages for joint owners and/or principal shareholders. (List all shareholders able to cast, or control the casting of, 5% or more of the maximum amount of votes that could be cast at a general meeting of your company).

   Response:
   Shareholding details of principal shareholders of JSL as on 30th June, 2014 are attached as given at Confidential "Annexure-1"

3. If your company is a subsidiary of another company, list the principal shareholders of that company.

   Response:
   JSL is not a subsidiary of any other company.

4. If your parent company is a subsidiary of another company, list the principal shareholders of that company.

   Response:
   JSL is not a subsidiary of any other company.

5. Provide a diagram showing all associated or affiliated companies and your company's place within that corporate structure.

   Response
   Please refer to Confidential "Annexure 2".

6. Are any management fees/corporate allocations charged to your company by your parent or related company?

Response:
There are no management fees/corporate allocations charged to JSL by any related company. With regard to parent companies, it is reiterated that JSL is not a subsidiary of any company, whereby there is no parent company.

7. Describe the nature of your company's business. Explain whether you are a producer or manufacturer, distributor, trading company, etc.

Response:
JSL is a manufacturer of Hot Rolled Coils, Sheets and Plates, Cold Rolled Coils and Sheets, Galvanised Products (including the goods under consideration), Galvalume Products, Pre-painted Galvanised Products, TMT Bars, Wirerods and Special Steel bars as well as rounds and blooms.

8. If your business does not perform all of the following functions in relation to the goods under consideration, then please provide names and addresses of the companies which perform each function:

   - produce or manufacture;
   - sell in the domestic market;
   - export to Australia; and
   - export to countries other than Australia.

Response:
JSW Steel business does not perform all the functions listed above. [redacted] The details of JSW Coated can be found in its questionnaire response which is being filed independently before the AD Commission. (confidential information regarding functions)

9. Provide your company's internal organisation chart. Describe the functions performed by each group within the organisation.

Response:
The Marketing Organisation Chart for JSL is attached herewith as Confidential "Annexure 3A"

The relevant Operational Organisation Chart for JSL is attached herewith as Confidential "Annexure 3B"

10. Provide a list of your business' Board of Directors, Managing Director (or CEO) and Senior Executives.

Response:
The list of JSL's list of Board of Directors as on 30th June 2014 is attached herewith as "Annexure 4".

11. Provide a copy of your most recent annual report together with any relevant brochures or pamphlets on your business activities.

Response:

Annual Reports for the Financial Years 2012-13 and 2013-14 are attached herewith as "Annexure 5" while the Product Brochure is attached herewith as "Annexure 6".

12. Provide details of **all** transactions between your company and all related parties. For example:

- suppling/selling completed or partially completed products;
- suppling/selling raw materials;
- performing management functions (including any financial functions);
- processing (including toll processing) of any raw materials, intermediary or completed products; or
- trading in products/materials supplied by related parties.

Response:
The details of related party transactions for the period of investigation in relation to the aforementioned points are attached herewith at Confidential "Annexure 7". Further information on related party transactions not listed above, can be found under the heading "Transactions with Related Parties" in the Annual Report of JSL attached herewith.

A-4 GENERAL ACCOUNTING/ADMINISTRATION INFORMATION

1. Indicate your accounting period.
Response:
The accounting period followed by JSL is as per the Financial Year i.e. 1st April to 31st March (12 months)

2. Indicate the address where the company's financial records are held.

Response:
Finacial Records are mainly kept at the following places for goods under consideration

1. **Vijayanagar Works**
P.O.Vidyanagar,
Toranagallu,
Dist. Bellary – 583275
Karnataka State
India.

3. Please provide the following financial documents for the two most recently completed financial years plus all subsequent monthly, quarterly or half yearly statements:

- chart of accounts;

Response:
Please refer to Confidential "Annexure 8".

- audited consolidated and unconsolidated financial statements (including all footnotes and the auditor's opinion); and

Response:
Annual Reports for the last two completed financial years are attached as part of "Annexure 5".

- internal financial statements, income statements (profit and loss reports), or management accounts, that are prepared and maintained in the normal course of business for the goods under investigation.

Response:
The quarterly financial statement for Q1 (April to June 2014) is attached herewith as "Annexure 9".

These documents should relate to:

- the division or section/s of your business responsible for the production and sale of the goods under consideration; and
- the company overall.

Response:
The above documents are not prepared for any segment which is specifically responsible for the goods under investigation. Therefore the company's overall records are attached in the above annexures.

4. If you are not required to have the accounts audited, provide the unaudited financial statements for the two most recently completed financial years, together with your taxation returns. Any subsequent monthly, quarterly or half yearly statements should also be provided.

Response:
The Accounts of JSL are subject to Audit under Indian Companies Act, hence the present question is not applicable.

5. Do your accounting practices differ in any way from the generally accepted accounting principles in your country? If so, provide details.

Response:
Not Applicable

6. Describe the significant accounting policies that govern your system of accounting, in particular:

   - the method of valuation for raw material, work-in-process, and finished goods inventories (e.g. last in first out – LIFO, first in first out – FIFO, weighted average);
     Response:
     Inventories are valued at the lower of cost and net realisable value.Cost of inventories [redacted] **(confidential information regarding costs)**

   - costing methods, including the method (e.g. by tonnes, units, revenue, direct costs etc) of allocating costs shared with other goods or processes (such as front office cost, infrastructure cost etc);
     Response: Please refer to the costing methodology detailed in Section G of this questionnaire response.

   - valuation methods for damaged or sub-standard goods generated at the various stages of production; valuation methods for scrap, by products or joint products;
     Response:
     Damaged and substandard goods are valued at the lower of cost and net realisable value.

   - valuation and revaluation methods for fixed assets;

Response:

Fixed assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses, if any.

- average useful life for each class of production equipment and depreciation method and rate used for each;

Response

For period from July 13 to March 14 Depreciation on assets is provided, pro-rata for the period of use, by the Straight Line Method (SLM) at the rates prescribed in Schedule XIV to the Companies Act 1956.

Depreciation on assets is provided, pro rata for the period of use, by the Straight line Method (SLM)at the rates prescribed in Schedule XIV to the Act. Deprecation on assets, acquired under the composite scheme of Amalgamation and arrangement is provided, pro rata for the period of use by the SLM at the rate prescribed in Schedule XIV to the Act or at the SLM rate derived per independent, technical estimate of useful life whichever is higher.

[redacted] **(confidential information regarding depreciation)**

- treatment of foreign exchange gains and losses arising from transactions;
- treatment of foreign exchange gains/losses arising from the translation of balance sheet items;

Response to both Queries regarding Foreign Exchange:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. [redacted]

[redacted]

[redacted]

[redacted]

(confidential information regarding exchange rate accounting)

- inclusion of general expenses and/or interest;

Response

The financial statements have been prepared on an accrual basis, so inclusion of general expenses and interest is on accrual basis.

- provisions for bad or doubtful debts, and treatment thereof in your accounts;

  Response:
  All efforts for recovery from customer are made and then after approval of senior management provision is created for overdue more than 365 days and charged to P&L account. In many cases Legal cases are also filed for recovery.

- expenses for idle equipment and/or plant shut-downs;

  Response
  [redacted] **(confidential information regarding expenses for idle equipment and/or plant shut down)**

- costs of plant closure;

  Response
  There has been no Plant closure in the investigation period for goods under consideration.

- restructuring costs;

  Response
  Please refer to Significant Accounting Policies as recorded at pages 115 to 118 of the Annual Report of JSL for the Financial Year 2013-14.

- by-products and scrap materials resulting from your company's production process; and

  Response
  Sales of Scrap, by products resulting from our production process are stated as Sale of products in the financial statement. Stock of Scrap / by Product is valued on Net Realisable Value.

- effects of inflation on financial statement information.

  Response
  Financial Statements are prepared as per Indian GAAP and Effects of inflation are not provided for.

7. In the event that any of the accounting methods used by your company have changed over the last two years provide an explanation of the changes, the date of change and the reasons for it.

Response
There have been no changes in the accounting methodologies used by JSL in the last two years whereby this question is no applicable.

A-5 INCOME STATEMENT

Please complete the worksheet titled '**Income Statement**' within the '*Galvanised Steel - exporter questionnaire supporting data*' spreadsheet provided alongside this questionnaire.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Explain how costs have been allocated between all products and the goods under consideration within these calculations.

This information will be used to verify the completeness of cost data that you provide in Section G. If, because of your company's structure, the allocations would not be helpful in this process, please explain why this is the case.

Response
Please refer to the "Income Statement" spreadsheet provided in Confidential Annexure "Excel Worksheet statements".

A-6 SALES

Please complete the worksheet titled '**Turnover**' within the '*Galvanised Steel - exporter questionnaire supporting data*' spreadsheet provided alongside this questionnaire.

State your company's net turnover (after returns and all discounts) and free of duties and taxes. Use the currency in which your accounts are kept.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

This information will be used to verify the cost allocations to the goods under consideration in Section G.

You should be prepared to demonstrate that sales data shown for the goods is a complete record by linking total sales of these goods to relevant financial statements.

Response
Please refer to the "Turnover" spreadsheet provided in Confidential Annexure "Excel Worksheet statements".

SECTION B - SALES TO AUSTRALIA (EXPORT PRICE)

Response:

There are no exports of products under consideration to Australia from JSL during 1st July 2013 to 30th June 2014 (i.e. period of investigation)

This section requests information concerning your export practices and prices to Australia. You should include costs incurred beyond ex-factory. Export prices are usually assessed at free-on-board (FOB) point, but the Commission may also compare prices at the ex-factory level.

*You should report prices of **all** goods under consideration **shipped** to Australia during the investigation period.*

The invoice date will normally be taken to be the date of sale. If you consider:

- *the sale date is not the invoice date (see 'date of sale' column in Section B-4 below); and*
- *an alternative date should be used when comparing export and domestic prices,*

*then you **must** provide information in Section D on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

B-1 For each customer in Australia to whom you shipped goods during the investigation period, list:

- name;
- address;
- contact name and phone/fax number, where known; and
- trade level (e.g. distributor, wholesaler, retailer, end user, original equipment manufacturer).

B-2 For each customer identified in Section B-1 please provide the following:

a) Describe how the goods are sent to each customer in Australia, including a diagram if required.

b) Identify each party in the distribution chain and describe the functions performed by them. Where commissions are paid indicate whether it is a pre or post exportation expense having regard to the date of sale.

c) Explain who retains ownership of the goods at each stage of the distribution chain. In the case of delivered duty paid (DDP) sales, explain who retains ownership when the goods enter Australia.

d) Describe any agency or distributor agreements or other contracts entered into in relation to the Australian market (supply copy of the agreement if possible).

e) Explain in detail the process by which you negotiate price, receive orders, deliver, invoice and receive payment. If export prices are based on price lists supply copies of those lists.

f) State whether your firm is related to any of its Australian customers. Give details of any financial or other arrangements (e.g. free goods, rebates or promotional subsidies) with the customers in Australia (including parties representing either your firm or the customers).

g) Details of the forward orders of the goods under consideration (include quantities, values and scheduled shipping dates).

B-3 Do your export selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

B-4 Complete the worksheet titled '**Australian Sales**' within the '*Galvanised Steel - exporter questionnaire supporting data*' spreadsheet provided alongside this questionnaire.

This spreadsheet should list **all** shipments to Australia (i.e. transaction by transaction) **of the goods under consideration** in the investigation period. Do not include non-goods items.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the worksheet.

COLUMN HEADING	EXPLANATION
Customer name	Names of your customers
Level of trade	The level of trade of your customers in Australia
Model/grade/type	Commercial model/grade or type *(i.e. Base Metal Thickness, width, zinc coating mass, grade, finish)*
Product code	Code used in your records for the model/grade/type identified. Explain the product codes in your submission
Invoice number	Invoice number
Invoice date	Invoice date
Date of sale	Refer to the explanation at the beginning of this section. If you consider that a date *other than* the invoice date best establishes the material terms of sale, report that date. For example, order confirmation, contract or purchase order date.
Order number	If applicable, show order confirmation, contract or purchase order number if you have shown a date other than the invoice date as being the date of sale.
Shipping terms	Delivery terms: e.g. CIF, C&F, FOB, DDP (in accordance with the Incoterms outlined in Appendix 1)
Payment terms	Agreed payment terms, for example 60 days = 60 etc
Quantity	Quantity in units (as shown on the invoice). Show basis, e.g. kilograms.

Gross invoice value	Gross invoice value shown on invoice *in the currency of sale, excluding taxes*
Discounts on the invoice	If applicable, the amount of any discount deducted on the invoice on each transaction. If a % discount applies show that % discount applying in another column
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide a description
Invoice currency	The currency used on the invoice
Exchange rate	Indicate the exchange rate used to convert the currency of sale to the currency used in your accounting system
Net invoice value in the currency of the exporting country	The net invoice value expressed in your domestic currency, as it is entered in your accounting system
Rebates or other allowances	The amount of any deferred rebates or allowances paid to the importer in the currency of sale
Quantity discounts	The actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount
Ocean freight**	The actual amount of ocean freight incurred on each export shipment listed
Marine insurance	Amount of marine insurance
FOB export price**	The FOB price at the port of shipment
Packing*	Packing expenses
Inland transportation costs*	Inland transportation costs included in the selling price. For export sales, this is the inland freight from factory to port in the country of export
Handling, loading and ancillary expenses*	Handling, loading and ancillary expenses. For example, terminal handling, export inspection, wharfage and other port charges, container tax, document fees and customs brokers fees, clearance fees, bank charges, letter of credit fees and other ancillary charges incurred in the exporting country
Warranty and guarantee expenses*	Warranty and guarantee expenses
Technical assistance and other services*	Expenses for after sale services, such as technical assistance or installation costs
Commissions*	Commissions paid. If more than one type is paid, insert additional columns of data. Indicate in your response to Section B-2 whether the commission is a pre or post exportation expense having regard to the date of sale
Other factors*	**Any other** costs, charges or expenses incurred in relation to the exports to Australia (include additional columns as required). See Section B-5.

Notes:
* All of these costs are further explained in Section E-1.
** FOB export price and ocean freight:

FOB export price: an FOB export price must be calculated for each shipment - regardless of the shipping terms. FOB price includes inland transportation to the port of exportation, inland insurance, handling and loading charges. It excludes post exportation expenses such as ocean freight and insurance. Use a formula to show the method of the calculation on each line of the export sales worksheet.

Ocean freight: as ocean freight is a significant cost, it is important that the **actual** amount of ocean freight incurred on each exportation be reported. If estimates must be made, you must explain the reasons and set out the basis - estimates must reflect changes in freight rates over the investigation period.

Freight allocations must be checked for consistency.

B-5 If there are any other costs, charges or expenses incurred in respect of the exports listed above which have not been identified in the table above, add a column (see 'other factors' in Section B-4) for each item and provide a description of each item. For example, other selling expenses (direct or indirect) incurred in relation to the export sales to Australia.

B-6 For each type of discount, rebate or allowance offered on export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met by the importer to obtain the discount.

Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amount shown in your response to Section B-4. If they vary by customer or level provide an explanation.

B-7 If you have issued credit notes (directly or indirectly) to the customers in Australia, in relation to the invoices listed in the detailed transaction by transaction listing in response to Section B-4, provide details of each credit note if the credited amount has **not** been reported as a discount or rebate.

B-8 If the delivery terms make you responsible for arrival of the goods at an agreed point within Australia (e.g. DDP), insert additional columns in the worksheet for all other costs incurred. For example:

Import duties	Amount of import duty paid in Australia
Inland transport	Amount of inland transportation expenses within Australia included in the selling price
Other costs	Customs brokers, port and other costs incurred (itemise)

B-9 Select two shipments, in different quarters of the investigation period, and provide a **complete** set of all of the documentation related to the export sale. For example:

- the importer's purchase order, order confirmation and contract of sale;
- commercial invoice;
- bill of lading, export permit;
- freight invoices in relation to movement of the goods from factory to Australia, including inland freight contract;

- marine insurance expenses; and
- letter of credit and bank documentation, proving payment.

The Commission will select additional shipments for payment verification at the time of the visit.

SECTION C - EXPORTED GOODS AND LIKE GOODS

Response:

There are no exports of goods and like goods under investigation to Australia from JSL during 1st July 2013 to 30th June 2014 (i.e. period of investigation).

[redacted]

(confidential information regarding export sales)

C-1 Fully describe all of the goods you have exported to Australia during the investigation period. Include specification details (such as the grade of the product) and any technical and illustrative material that may be helpful in identifying, or classifying, the exported goods.

C-2 List each model/type of goods exported to Australia (these models should cover all models listed in the worksheet '**Australian Sales**' – see Section B of this questionnaire).

C-3 If you sell like goods on the domestic market, for each model/type that your company has exported to Australia during the investigation period, list the most comparable model(s) sold domestically and provide a detailed explanation of the differences where those goods sold domestically (i.e. the like goods – see explanation in glossary of terms) are not identical to goods exported to Australia. Make sure that you identify the grade of each model/type that is sold domestically.

This should be done by completing the worksheet titled '**Like Goods**' within the '*Galvanised Steel - exporter questionnaire supporting data*' spreadsheet provided alongside this questionnaire, detailing as follows:

EXPORTED TYPE	DOMESTIC TYPE	IDENTICAL?	DIFFERENCES
Product code of each model of the goods exported to Australia	Product code of comparable model sold on the domestic market of the country of export	If goods are identical indicate 'YES'. Otherwise 'NO'	Where the good exported to Australia is not identical to the like goods, describe the specification differences. If it is impractical to detail specification differences in this table refer to documents which outline differences

C-4 Please provide any technical and illustrative material that may be helpful in identifying or classifying the goods that your company sells on the domestic market.

SECTION D - DOMESTIC SALES

This section seeks information about the sales arrangements and prices in the domestic market of the country of export.

***All** domestic sales of **like goods** (to the goods under consideration) made during the investigation period must be listed transaction by transaction. If there is an extraordinarily large volume of sales data and you are unable to provide the complete listing electronically you **must** contact the Case Manager **before** completing the questionnaire.*

If the Case Manager agrees that it is not possible to obtain a complete listing he or she will consider a method for sampling that meets the *Commission's requirements. If agreement cannot be reached as to the appropriate method, the Commission may not visit your company.*

The Commission will normally take the invoice date as being the date of sale in order to determine which sales fall within the investigation period.

*If, in response to Section B-4 (Sales to Australia, Export Price), you have reported that the date of sale is not the invoice date and you consider that this alternative date should be used when comparing domestic and export prices you **must** provide information on domestic selling prices for a matching period - even if doing so means that such domestic sales data predates the commencement of the investigation period.*

If you do not have any domestic sales of like goods you must contact the Case Manager who will explain the information the Commission requires for determining a normal value using alternative methods.

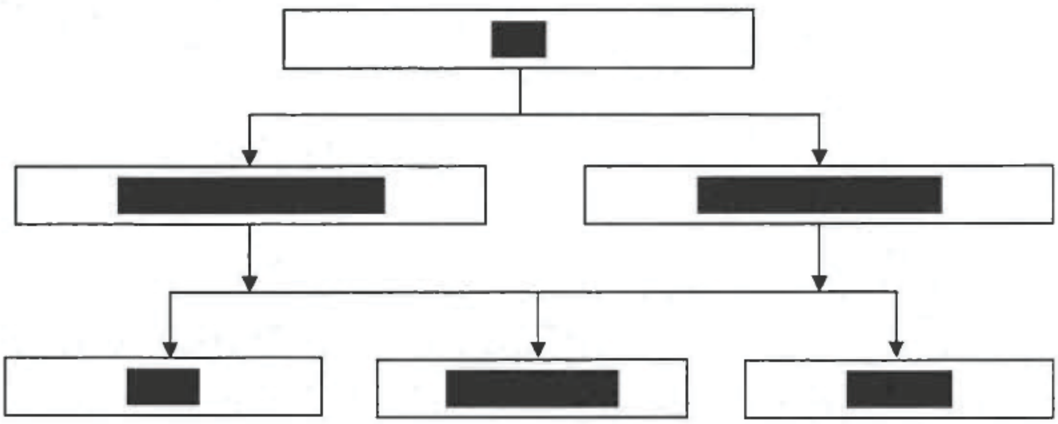
D-1 Please provide:

- a detailed description of your distribution channels to domestic customers, including a diagram if appropriate;
- information concerning the functions/activities performed by each party in the distribution chain; and
- a copy of any agency or distributor agreements, or contracts entered into.

Response:

As regards the distribution channel for sales made in the home market of the goods under consideration, the following are the different channels:

[redacted]



[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

(confidential information regarding distribution channels)

- If any of the customers listed are associated with your business, provide details of that association. Describe the effect, if any, that association has upon the price.

  Response:
  No sales of the goods under investigation have been made to associated domestic customers in the period of investigation.

D-2 Do your domestic selling prices vary according to the distribution channel identified? If so, provide details. Real differences in trade levels are characterised by consistent and distinct differences in functions and prices.

Response:
[redacted] **(confidential information regarding price list)**

D-3 Explain in detail the sales process, including:

- the way in which you set the price, receive orders, make delivery, invoice and finally receive payment; and the terms of the sales; and

Response:
[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

(confidential information regarding domestic sale process)

- whether price includes the cost of delivery to customer.

Response:

[redacted]

(Confidential information regarding delivery terms)

If sales are in accordance with price lists, provide copies of the price lists.

Response:
Price lists are attached for Retail as Confidential "Annexure 13".

D-4 Complete the worksheet titled '**Domestic Sales**' in the '*Galvanised Steel - exporter questionnaire supporting data*' spreadsheet provided alongside this questionnaire.

Response
In the period of investigation, JSL has had domestic sales in two primary categories, i.e. [redacted] **Both types of sales are reported at the relevant worksheets attached herewith. (confidential information regarding domestic sales)**

This worksheet is to list **all domestic sales of like goods** (i.e. transaction by transaction) made during the investigation period. Do not include non-goods items.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the worksheet.

COLUMN HEADING	EXPLANATION
Customer name	Names of your customers. If an English version of the name is not easily produced from your automated systems, show a customer code number

	and (in a separate table) list each code and name
Level of trade	The level of trade of your domestic customer
Model/grade/type	Commercial model/grade or type of the goods
Product code	Code used in your records for the model/grade/type of the goods identified. Explain the product codes in your submission
Invoice number	Invoice number
Invoice date	Invoice date
Date of sale	Refer to the explanation at the beginning of this section. If you consider that a date *other than* the invoice date best establishes the material terms of sale and should be used, report that date. For example, order confirmation, contract or purchase order date
Order number	Show order confirmation, contract or purchase order number if you have shown a date other than invoice date as being the date of sale
Delivery terms	For example, ex-factory, free on truck, delivered into store
Payment terms	Payment terms agreed with the customer, for example 60 days = 60 etc
Quantity	Quantity in units shown on the invoice, for example kilograms
Gross invoice value	Gross value shown on invoice *in the currency of sale*, net of taxes
Discounts on the Invoice	The amount of any discount deducted on the invoice on each transaction. If a %age discount applies show that %age discount applying in another column
Other charges	Any other charges, or price reductions, that affect the net invoice value. Insert additional columns and provide description
Net invoice value in the currency of the exporting country	The net invoice value expressed in your domestic currency as recorded in your accounting system
Rebates or other Allowances	The actual amount of any deferred rebates or allowances in the currency of sale
Quantity discounts	The actual amount of quantity discounts not deducted from the invoice. Show a separate column for each type of quantity discount
Packing*	Packing expenses
Inland transportation costs*	Amount of inland transportation costs included in the selling price
Handling, loading and ancillary expenses*	Handling, loading and ancillary expenses
Warranty and guarantee expenses*	Warranty and guarantee expenses
Technical assistance and other services*	Expenses for after sale services, such as technical assistance or installation costs
Commissions*	Commissions paid. If more than one type is paid, insert additional columns of data
Other factors*	**Any other** costs, charges or expenses incurred in relation to the

	domestic sales (include additional columns as required). See Section D-5.

Notes
Costs marked with * are explained in Section E-2.

Response

[redacted]

[redacted]

[redacted]

(confidential information regarding product coding)

D-5 If there are any other costs, charges or expenses incurred in respect of the sales listed which have not been identified in the table in Section D-4 above, add a column for each item (see 'other factors'). For example, certain other selling expenses incurred.

Response:
There are no other costs or expenses other than that listed in D-4.

D-6 For each type of commission, discount, rebate or allowance offered on domestic sales of like goods:

- provide a description; and
- explain the terms and conditions that must be met by the customer to qualify for payment.

Response
The Discounts / Rebates offered to Trade / OEM segments are as below;

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

- Where the amounts of these discounts, rebates etc are not identified on the sales invoice, explain how you calculated the amounts shown in your response to Section D-4.

  Response:
  The discounts and rebates which are [redacted] **(confidential information regarding discounts/rebates for domestic sales)**

- If you have issued credit notes, directly or indirectly to the customers, provide details if the credited amount has **not** been reported as a discount or rebate.
  Response:
  All the credited amounts featuring in the credit notes have been reported as discounts/rebates.

D-7 Select two domestic sales, in different quarters of the investigation period, that are at the same level of trade as the export sales.

Provide a **complete** set of documentation for those two sales. Include, for example:

- purchase order;
- order acceptance;
- commercial invoice;
- discounts or rebates applicable;
- credit/debit notes;
- long or short term contract of sale;
- inland freight contract; and
- bank documentation showing proof of payment.

The Commission will select additional sales for verification at the time of our visit.

Response:
Please refer to Confidential "Annexure 14A" and Confidential "Annexure 14B"

SECTION E - FAIR COMPARISON

Response: Please refer to the response provided at Section C of this questionnaire response.

Section B sought information about the export prices to Australia and Section D sought information about prices on your domestic market for like goods (i.e. the normal value).

Where the normal value and the export price are not comparable adjustments may be made. This section informs you of the fair comparison principle and asks you to quantify the amount of any adjustment.

As prices are being compared, the purpose of the adjustments is to eliminate factors that have unequally modified the prices to be compared.

To be able to quantify the level of any adjustment it will usually be necessary to examine cost differences between sales in different markets. The Commission must be satisfied that those costs are likely to have influenced price. In practice, this means that the expense item for which an adjustment is claimed should have a close nexus to the sale. For example, the cost is incurred because of the sale, or because the cost is related to the sale terms and conditions.

Conversely, where there is not a direct relationship between the expense item and the sale a greater burden is placed upon the claimant to demonstrate that prices have been affected, or are likely to have been affected, by the expense item. In the absence of such evidence the Commission may disallow the adjustment.

Where possible, the adjustment should be based upon actual costs incurred when making the relevant sales. However, if such specific expense information is unavailable, cost allocations may be considered. In this case, the party making the adjustment claim must demonstrate that the allocation method reasonably estimates costs incurred.

A party seeking an adjustment has the obligation to substantiate the claim by relevant evidence that would allow a full analysis of the circumstances, and the accounting data, relating to the claim.

The investigation must be completed within strict time limits therefore you must supply information concerning claims for adjustments in a timely manner. Where an exporter has knowledge of the material substantiating an adjustment claim, that material is to be available at the time of the verification visit. The Commission will not consider new claims made after the verification visit.

E-1 COSTS ASSOCIATED WITH EXPORT SALES

These cost adjustments will relate to your responses made at Section B-4, '**Australian Sales**'.

1. Transportation

Explain how you have quantified the amount of inland transportation associated with the export sale ('**inland transportation costs**'). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

2. Handling, loading and ancillary expenses

List all charges that are included in the export price and explain how they have been quantified ('**handling, loading and ancillary expenses**'). Identify the general ledger account where the expenses are located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

The various export related ancillary costs are identified in the table at Section B-4, for example:

- terminal handling;
- wharfage and other port charges;
- container taxes;
- document fees and customs brokers fees;
- clearance fees;
- bank charges, letter of credit fees; and
- other ancillary charges.

3. Credit

The cost of extending credit on export sales is not included in the amounts quantified at Section B-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. Provide applicable interest rates over each month of the investigation period. Explain the nature of the interest rates most applicable to these export sales, e.g. short term borrowing in the currency concerned.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, *and if* export prices are influenced by this longer or shorter period, calculate the average number of collection days. See also item 4 in Section E-2 below.

4. Packing costs

List material and labour costs associated with packing the export product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed '**packing**'.

5. Commissions

For any commissions paid in relation to the export sales to Australia:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing in Section B-4 under the column headed '**commissions**'. Identify the general ledger account where the expense is located.

6. Warranties, guarantees, and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ('**warranty and guarantee expenses**' and '**technical assistance and other services**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

7. <u>Other factors</u>

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed '**other factors**'. For example, other variable or fixed selling expenses, including salesmen's salaries, salesmen's travel expenses, advertising and promotion, samples and entertainment expenses. Your consideration of questions asked at Section G, concerning domestic and export costs, would have alerted you to such other factors.

8. <u>Currency conversions</u>

In comparing export and domestic prices a currency conversion is required. Fluctuations in exchange rates can only be taken into account when there has been a 'sustained' movement during the period of investigation (see Article 2.4.1 of the WTO Agreement). The purpose is to allow exporters 60 days to adjust export prices to reflect 'sustained' movements. Such a claim requires detailed information on exchange movements in your country over a long period that includes the investigation period.

E-2 COSTS ASSOCIATED WITH DOMESTIC SALES

These cost adjustments will relate to your responses made at Section D-4, '**domestic sales**'.

The following items are not separately identified in the amounts quantified at Section D-4. However you should consider whether any are applicable.

1. <u>Physical characteristics</u>

The adjustment recognises that differences such as quality, chemical composition, structure or design mean that goods are not identical and the differences can be quantified in order to ensure fair comparison.

The amount of the adjustment shall be based upon the market value of the difference, but where this is not possible the adjustment shall be based upon the difference in cost plus the gross profit mark-up (i.e. an amount for selling general and administrative (SG&A) costs, plus profit).

The adjustment is based upon actual physical differences in the goods being compared and upon the manufacturing cost data. Identify the physical differences between each model. State the source of your data.

2. <u>Import charges and indirect taxes</u>

If exports to Australia:

- are partially or fully exempt from internal taxes and duties that are borne by the like goods in domestic sales (or on the materials and components physically incorporated in the goods); or

- if such internal taxes and duties have been paid and are later remitted upon exportation to Australia,

then the price of like goods must be adjusted downwards by the amount of the taxes and duties.

The taxes and duties include sales, excise, turnover, value added, franchise, stamp, transfer, border and excise taxes. Direct taxes such as corporate income tax are not included as such taxes do not apply to the transactions.

Adjustment for drawback is not made in every situation where drawback has been received. Where an adjustment for drawback is appropriate you must provide information showing **the import duty borne by the domestic sales**. That is, it is not sufficient to show the drawback amount and the export sales quantity to Australia. For example, you may calculate the duty borne on domestic sales by quantifying the total amount of import duty paid and subtracting the duty refunded on exports to all countries. The difference, when divided by the domestic sales volume, is the amount of the adjustment.

In substantiating the drawback claim the following information is required:

- a copy of the relevant statutes/regulations authorising duty exemption or remission, translated into English;
- the amount of the duties and taxes refunded upon exportation and an explanation how the amounts were calculated and apportioned to the exported goods;
- an explanation as to how you calculated the amount of duty payable on imported materials is borne by the goods sold domestically but is not borne by the exports to Australia.

<u>Substitution drawback systems</u>

Annex 3 of the WTO *Agreement on Subsidies and Countervailing Measures* provides:

> '[d]rawback systems can allow for the refund or drawback of import duties on inputs which are consumed in the production process of another product and where the export of this latter product contains domestic inputs having the same quality and characteristics as those substituted for the imported inputs'.

If such a scheme operates in the country of export adjustments can also be made for the drawback payable on the substituted domestic materials, provided the total amount of the drawback does not exceed the total duty paid.

3. <u>Level of trade</u>

Section D-4 asks you to indicate the level of trade to the domestic customer. To claim an adjustment for level of trade differences you will need to quantify the amount by which level of trade influences price.

Trade level is the level a company occupies in the distribution chain. The trade level to which that company in turn sells the goods and the functions carried out distinguish a level of trade. Examples are producer, national distributor, regional distributor, wholesaler, retailer, end user and original equipment manufacturer.

It may not be possible to compare export prices and domestic prices at the same level of trade. Where relevant sales of like goods at the next level of trade must be used to determine normal values, an adjustment for the difference in level of trade may be required where it is shown that the difference affects price comparability.

The information needs to establish that there are real trade level differences, not merely nominal differences. Real trade level differences are characterised by a consistent pattern of price differences between the levels and by a difference in functions performed. If there is no real trade level differences all sales are treated as being at the same level of trade.

A real difference in level of trade may be adjusted for using either of the following methods:

a) *costs arising from different functions*
The amount of the costs, expenses etc incurred by the seller in domestic sales of the like goods resulting from activities that would not be performed were the domestic sales made at the same level as that of the importer.

This requires the following information:

- a detailed description of each sales activity performed in selling to your domestic customers (for example: sales personnel, travel, advertising, entertainment etc);
- the cost of carrying out these activities in respect of like goods;
- for each activity, whether your firm carries out the same activity when selling to importers in Australia;
- an explanation as to why you consider that you are entitled to a level of trade adjustment; or

b) *level discount*

The amount of the discount granted to purchasers who are at the same level of trade as the importer in Australia. This is determined by an examination of price differences between the two levels of trade in the exporter's domestic market, for example sales of like goods by other vendors or sales of the same general category of goods by the exporter.

For this method to be used it is important that **a clear pattern** of pricing be established for the differing trade levels. Such pattern is demonstrated by a general availability of the discounts to the level - isolated instances would not establish a pattern of availability.

4. Credit

The cost of extending credit on domestic sales is not included in the amounts quantified at Section D-4. However, the Commission will examine whether a credit adjustment is warranted and determine the amount. An adjustment for credit is to be made even if funds are not borrowed to finance the accounts receivable.

The interest rate on domestic sales in order of preference is:

- the rate, or average of rates, applying on actual short term borrowings by the company; or
- the prime interest rate prevailing for commercial loans in the country for credit terms that most closely approximate the credit terms on which the sales were made; or
- such other rate considered appropriate in the circumstances.

Provide the applicable interest rate over **each month** of the investigation period.

If your accounts receivable shows that the average number of collection days differs from the payment terms shown in the sales listing, and if domestic prices are influenced by this longer or shorter period, calculate the average number of collection days.

Where there is no fixed credit period agreed at the time of sale the period of credit is determined on the facts available. For example, where payment is made using an open account system,[1] the average credit period may be determined as follows:

a) *Calculate an accounts receivable turnover ratio*

This ratio equals the total credit sales divided by average accounts receivable. It is a measure of how many times the average receivables balance is converted into cash during the year.

In calculating the accounts receivable turnover ratio, credit sales should be used in the numerator whenever the amount is available from the financial statements. Otherwise, net sales revenue may be used in the numerator.

An average accounts receivable over the year is used in the denominator. This may be calculated by:

- using opening accounts receivable at beginning of period plus closing accounts receivable at end of period divided by two; or
- total monthly receivables divided by 12.

b) *Calculate the average credit period*

The average credit period equals 365 divided by the accounts receivable turnover ratio determined above at point a).

The resulting average credit period should be tested against randomly selected transactions to support the approximation.

The following items are identified in the amounts quantified at Section D-4:

5. <u>Transportation</u>

Explain how you have quantified the amount of inland transportation associated with the domestic sales ('**inland transportation costs**'). Identify the general ledger account where the expense is located. If the amount has been determined from contractual arrangements, not from an account item, provide details and evidence of payment.

6. <u>Handling, loading and ancillary expenses</u>

List all charges that are included in the domestic price and explain how they have been quantified ('**handling, loading and ancillary expenses**'). Identify the general ledger account where the expense is located. If the amounts have been determined using actual observations, not from a relevant account item, provide details.

7. <u>Packing</u>

List material and labour costs associated with packing the domestically sold product. Describe how the packing method differs from sales on the domestic market, for each model. Report the amount in the listing in the column headed '**packing**'.

---

[1] Under an open account system, following payment the balance of the amount owing is carried into the next period. Payment amounts may vary from one period to the next, with the result that the amount owing varies.

8. Commissions

For any commissions paid in relation to the domestic sales:

- provide a description; and
- explain the terms and conditions that must be met.

Report the amount in the sales listing under the column headed '**commissions**'. Identify the general ledger account where the expense is located.

9. Warranties, guarantees and after sales services

List the costs incurred. Show relevant sales contracts. Show how you calculated the expenses ('**Warranty and guarantee expenses**' and '**technical assistance and other services**'), including the basis of any allocations. Include a record of expenses incurred. Technical services include costs for the service, repair or consultation. Where these expenses are closely related to the sales in question, an adjustment will be considered. Identify the ledger account where the expense is located.

10. Other factors

There may be other factors for which an adjustment is required if the costs affect price comparability – these are identified in the column headed '**other factors**'. List the factors and show how each has been quantified in per unit terms. For example:

- inventory carrying cost – describe how the products are stored prior to sale and show data relating to the average length of time in inventory. Indicate the interest rate used;
- warehousing expense – an expense incurred at the distribution point;
- royalty and patent fees – describe each payment as a result of production or sale, including the key terms of the agreement;
- advertising; and
- bad debt.

E-3 DUPLICATION

In calculating the amount of the adjustments you must ensure that there is no duplication.

For example:

- adjustments for level of trade, quantity or other discounts may overlap, or
- calculation of the amount of the difference for level of trade may be based upon selling expenses such as salesperson's salaries, promotion expenses, commissions, and travel expenses.

Separate adjustment items must avoid duplication.

An adjustment for quantities may not be granted unless the effect on prices for quantity differences is identified and separated from the effect on prices for level of trade differences.

SECTION F - EXPORT SALES TO COUNTRIES OTHER THAN AUSTRALIA (THIRD COUNTRY SALES)

Your response to this part of the questionnaire may be used by the Commission to select sales to a third country that may be suitable for comparison with exports to Australia.

Sales to third countries may be used as the basis for normal value in certain circumstances. The Commission may seek more detailed information on particular third country sales where such sales are likely to be used as the basis for determining normal value.

F-1 Using the column names and column descriptions below provide a summary of your export sales to countries other than Australia.

Complete the worksheet titled '**Third Country Sales**' within the '*Galvanised Steel - exporter questionnaire supporting data'* spreadsheet provided alongside this questionnaire.

This worksheet should list **all** export sales of like goods (i.e. transaction by transaction) to countries other than Australia in the investigation period. Do not include non-goods items.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

The table below provides information as to what is meant by each column heading within the worksheet.

COLUMN HEADING	EXPLANATION
Country	Name of the country that you exported like goods to over the investigation period
Number of customers	The number of different customers that your company has sold like goods to in the third country over the investigation period
Level of trade	The level of trade that you export like goods to in the third country
Quantity	Indicate quantity, in units, exported to the third country over the investigation period
Unit of quantity	Show unit of quantity, for example kilograms
Value of sales	Show net sales value to all customers in the third country over the investigation period
Currency	Currency in which you have expressed data in column SALES
Payment terms	Typical payment terms with customer(s) in the third country, for example 60 days = 60 etc
Shipment terms	Typical shipment terms to customers in the third country, for example CIF, FOB, ex-factory, DDP etc

F-2 Please identify any differences in sales to third countries which may affect their comparison to export sales to Australia.

SECTION G - COSTING INFORMATION AND CONSTRUCTED VALUE

The information that you supply in response to this section of the questionnaire will be used for various purposes including:

- testing the profitability of sales of like goods on the domestic market;
- determining a constructed normal value of the goods under consideration–i.e. of the goods exported to Australia; and
- making certain adjustments to the normal value.

You will need to provide the cost of production of both the exported goods (the goods) and for the like goods sold on the domestic market. You will also need to provide the SG&A costs relating to goods sold on the domestic market, the finance expenses and any other expenses (e.g. non-operating expenses not included elsewhere) associated with the goods.

In your response please include a worksheet showing how the SG&A expenses, the finance expenses and any other expenses have been calculated.

If, in response to Section B-4 (Sales to Australia, Export Price) you:

- reported that the date of sale is not the invoice date and consider that this alternative date should be used when comparing domestic and export prices; and
- provided information on domestic selling prices for a matching period as required in the introduction to Section D (Domestic Sales),

then you must provide cost data over the same period as these sales even if doing so means that such cost data predates the commencement of the investigation period.

At any verification meeting you must be prepared to reconcile the costs shown to the accounting records used to prepare the financial statements.

G-1 PRODUCTION PROCESS AND CAPACITY

1. Describe the production process for the goods. Provide a flowchart of the process. Include details of all products manufactured using the same production facilities as those used for the goods. Also specify all scrap or by-products that result from producing the goods.

   Response:

   The Production Process flow charts are enclosed in two parts, i.e. Confidential "Annexure 15A" and Confidential "Annexure 15B".

   Confidential "Annexure 15A" contains [redacted] **whereas Confidential "Annexure 15B" covers** [redacted]

   [redacted]

   (confidential information regarding production process)

2. Complete the worksheet titled '**production**' within the 'Galvanised Steel - exporter questionnaire supporting data' spreadsheet provided alongside this questionnaire.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

Response:
Please refer to the "Production" spreadsheet provided in Confidential Annexure "Excel Worksheet statements".

G-2 COST ACCOUNTING PRACTICES

1. Outline the management accounting system that you maintain and explain how that cost accounting information is reconciled to your audited financial statements.

Response:
[redacted] **(confidential information regarding cost accounting system)**

2. Is your company's cost accounting system based on standard (budgeted) costs? State whether standard costs were used in your responses to this questionnaire. If they were, state whether all variances (i.e. differences between standard and actual production costs) have been allocated to the goods and describe how those variances have been allocated.

Response:
The Company's Cost accounting system is [redacted] **(confidential information regarding cost accounting system)**

3. Provide details of any significant or unusual cost variances that occurred during the investigation period.
Response:
There have been no significant or unusual cost variances.

4. Describe the profit/cost centres in your company's cost accounting system.

Response:
List of Cost Centres showing the description is enclosed herewith as Confidential "Annexure 16".

5. For each profit/cost centre, describe in detail the methods that your company normally uses to allocate costs to the goods under consideration. In particular specify how, and over what period, expenses are amortised or depreciated and how allowances are made for capital expenditures and other development costs.

Response
[redacted]

[redacted]

[redacted]

(confidential information regarding profit and cost centres)

6. Describe the level of product specificity (models, grades etc) that your company's cost accounting system records production costs.

Response:

[redacted]

(confidential information regarding cost capturing mechanism)

7. List and explain all production costs incurred by your company which are valued differently for cost accounting purposes than for financial accounting purposes.

Response:

[redacted] **(confidential information regarding costs)**

8. State whether your company engaged in any start-up operations in relation to the goods under consideration. Describe in detail the start-up operation giving dates (actual or projected) of each stage of the start-up operation.

Response:
During the period under investigation i.e July 13 to June 14, the company was engaged in [redacted]

[redacted]

(**confidential information regarding new operations**)

9. State the total cost of the start-up operation and the way that your company has treated the costs of the start-up operation it its accounting records.

Response:

[redacted]

(**confidential information regarding start up costs**)

G-3 COST TO MAKE AND SELL ON DOMESTIC MARKET

This information is relevant to testing whether domestic sales are in the ordinary course of trade.[2]

Complete the worksheet titled '**Domestic CTMS**' within the 'Galvanised Steel - exporter questionnaire supporting data' spreadsheet provided alongside this questionnaire.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell **each** model/type (identified in Section C) of the like goods sold on the domestic market. Please specify unit of currency.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation at the address on the cover page of this questionnaire.

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[2] The Commission applies the tests set out in s.269TAAD of the *Customs Act 1901* to determine whether goods are in the ordinary course of trade. These provisions reflect the WTO Agreement – see Article 2.2.1.

Response:

Please refer to "Domestic CTMS" worksheet provided in Confidential Annexure "Excel Worksheet statements".

G-4 COST TO MAKE AND SELL GOODS UNDER CONSIDERATION (GOODS EXPORTED TO AUSTRALIA)

Complete the worksheettitled '**Australian CTMS'**within the 'Galvanised Steel - exporter questionnaire supporting data' spreadsheet provided alongside this questionnaire.

Provide the completed worksheet in electronic format via email (or on CD-ROM) with your response. If formulas are used to calculate the field within this sheet, please ensure they remain included in the submitted version.

In doing so, provide the actual unit cost to make and sell **each** model/type (identified in Section C) of the like goods sold on the domestic market. Please specify unit of currency.

Provide this cost data for each quarter over the investigation period. If your company calculates costs monthly, provide monthly costs.

Indicate the source of cost information (account numbers etc) and/or methods used to allocate cost to the goods. Provide documentation and worksheets supporting your calculations.

If you are unable to supply this information in this format, please contact the Case Manager for this investigation at the address shown on the cover page of this questionnaire.

This information is relevant to calculating the normal values based on costs. It is also relevant to calculating certain adjustments to the normal value.

G-5 Where there are cost differences between goods sold to the domestic market and those sold for export, give reasons and supporting evidence for these differences.

Response:

[redacted]

G-6 Give details and an explanation of any significant differences between the costs shown and the costs as normally determined in accordance with your general accounting system. Reference should be made to any differences arising from movements in inventory levels and variances arising under standard costing methods.

Response:

There are no significant differences between the costs shown and the costs as normally determined in accordance with your general accounting system.

G-7 In calculating the unit cost to make and sell, provide an explanation if the allocation method used (e.g. number, or weight etc) to determine the unit cost differs from the prior practice of your company.

Response:

The systems are uniformly followed and there is no change in standard practice.

G-8 List major raw material costs, which individually account for 10% or more of the total production cost.

Response:
The major raw material is Hot Rolled Coil.

For these major inputs:

- identify materials sourced in-house and from associated entities;
  Response: [redacted].
- identify the supplier; and
  Response: [redacted]
- show the basis of valuing the major raw materials in the costs of production you have shown for the goods (e.g. market prices, transfer prices or actual cost of production).
  Response:
  [redacted].

Where the major input is produced by an associate of your company,the Commission will compare your purchase price to a normal market price. If the associate provides information on the cost of production for that input such cost data may also be considered.

Normal market price is taken to be the price normally available in the market (having regard to market size, whether the input is normally purchased at 'spot prices' or under long term contracts etc).

The term associate is defined in section 269TAA of the Customs Act 1901. Included in that definition are companies controlled by the same parent company (a company that controls 5% or more of the shares of another is taken to be an associated company), companies controlled by the other company and companies having the same person in the board of directors.

Important note: if the major input is sourced as part of an integrated production process you should provide detailed information on the full costs of production of that input.

SECTION H - EXPORTER'S DECLARATION

☐ I hereby declare that..(company) did, during the period of investigation export the goods under consideration and have completed the attached questionnaire and, having made due inquiry, certify that the information contained in this submission is complete and correct to the best of my knowledge and belief.

☐ I hereby declare that..(company) did not, during the period of investigation, export the goods under consideration and therefore have not completed the attached questionnaire.

Name :..

Signature :..

Position in Company :..

Date :..

PUBLIC RECORD
(identify which version – see 'BACKGROUND AND GENERAL INSTRUCTIONS')

SECTION I - CHECKLIST

This section is an aid to ensure that you have completed all sections of this questionnaire.

SECTION	Please tick if you have responded to all questions
Section A – general information	▯
Section B – export price	▯
Section C – like goods	▯
Section D – domestic price	▯
Section E – fair comparison	▯
Section F – exports to third countries	▯
Section G – costing information	▯
Section H – declaration	▯

ELECTRONIC DATA	Please tick if you have completed worksheets
INCOME STATEMENT	▯
TURNOVER – sales summary	▯
AUSTRALIAN SALES – list of sales to Australia	▯
DOMESTIC SALES – list of all domestic sales of like goods	▯
THIRD COUNTRY – third country sales	▯
PRODUCTION – production figures	▯
DOMESTIC COSTS – costs of goods sold domestically	▯
AUSTRALIAN COSTS – costs of goods sold to Australia	▯

APPENDIX 1 - GLOSSARY OF TERMS

This glossary is intended to provide you with a basic understanding of technical terms that appear in the questionnaire.

Adjustments

To enable a fair comparison between the export price and the normal value, Australian legislation provides for the adjustment of the domestic price paid for like goods. Adjustments are made to account for sales occurring at different times, specification differences and differences in the terms or circumstances of the sales. The adjustment to the normal value may be upward or downward. Areas where you believe an adjustment is necessary should be identified. Section E of the questionnaire refers.

Examples of adjustments that may be made include:

- sales occurring at different times (it is sometimes necessary to compare domestic and export sales made at different times – in these circumstances an adjustment may be made to reflect price movements during that time);
- specification differences;
- packaging;
- taxes;
- level of trade;
- advertising;
- servicing/warranty;
- inland freight;
- warehousing;
- export charges;
- credit terms;
- duty drawback; and
- commissions.

Adjustments may also be required where the normal value is based upon costs to make and sell.

Arms length

Sales are not considered to be at 'arms length' on your domestic market if there is any consideration payable for the goods other than their price or there is an association between the buyer and the seller which affects the price, or there will be a reimbursement, compensation or benefit for, or in respect of, the price.

Constructed value

In cases where domestic prices paid for the goods under consideration in the country of export cannot be used for the determination of normal value, i.e. when there are no or insufficient sales or where such sales were not made in the ordinary course of trade, normal value may be based on a constructed value. Constructed value is calculated on the basis of the cost of production of the goods under consideration plus a reasonable amount for SG&A costs and for profits that are associated with sales on the domestic market of the country of export.

Cost of production/manufacturing

The cost of production or manufacture consists of all manufacturing costs associated with the goods. It is the sum of direct materials, direct labour and factory overheads.

Cost to make and sell

The cost to make and sell is the sum of the cost of production or manufacture and the SG&A costs associated with the sale of those goods.

Country of origin

The country in which the last significant process in the manufacture or production of the goods was performed.

Date of sale

The Commission will normally use the invoice date, as recorded in the exporter or producer's records. Another date may be used if this better reflects the material terms of sale. The questionnaire directs attention to matching data sets of domestic and export sales where some other date is used, as well as matching cost information.

Direct labour cost

Direct labour is categorised as a variable cost, i.e. the value varies with the level of production.

Dumping

Dumping occurs when the products of one country are exported to another country at a price less than their normal value.

Dumping margin

Where the export price is less than the normal value the dumping margin is the amount of the difference. It can be expressed as a value or as a percentage of the export price.

Export price

The export price of the goods is usually the price paid or payable to the exporter in arms length transactions, in most instances calculated at the FOB level.

Exporting country

The country of export is normally the country of origin from which the goods are shipped. The country of export may be an intermediate country, except where the products are merely transhipped through that country, or the products concerned are not produced in that country, and there is no comparable price in that country.

Factory overheads

Factory overheads consist of variable costs, i.e. power, supplies and indirect labour, as well as fixed costs, i.e. factory rent, insurance and depreciation.

Goods under consideration (the goods)

The goods to which the application for anti-dumping action relates. That is, the goods that you have exported to Australia allegedly at dumped prices.

Incoterms

The following abbreviations are commonly used. Comment is provided concerning costs that are normally borne by the seller:

EXW	ex-works (the seller's minimum obligation as costs relate to goods being made available at the sellers premises)
FCA	free carrier (main carriage not paid by seller. Pay costs until such time that the goods have been delivered at the named point into custody of a carrier named by the seller. Customs formalities, taxes etc paid if required)
FAS	free alongside ship (main carriage not paid by seller. Deliver the goods alongside the ship)
FOB	free-on-board (main carriage not paid by seller. Deliver the goods on board, provide export clearance if required, pay loading costs to the point the goods have passed the ship's rail, pay customs formalities, taxes etc. payable upon exportation)
CFR	cost and freight (main carriage paid by seller. Pay all costs until delivered as well as freight, loading and unloading, pay customs formalities, taxes etc. payable upon exportation)
CIF	cost, insurance and freight (main carriage paid by seller. Pay all costs as under CFR as well as marine insurance)

NB: the terms CFR and CIF are only used where goods are carried by sea or waterway transport.

CPT	carriage paid to
CIP	carriage and insurance paid to

NB: the terms CPT and CIP are used as alternatives to CFR and CIF where the goods are carried by air, road, rail etc.

DAF	delivered at frontier (goods carried by rail or road and cleared for export at the named place at the frontier. Pay costs until delivered at the frontier plus any discharge costs incurred to place the goods at the customers disposal)
DES	delivered ex-ship (goods made available to the buyer on board the ship uncleared for import at the named port of destination. Pay all costs incurred in placed at the disposal of the buyer, pay customs formalities, taxes etc. payable upon exportation, and where necessary for transit through another country)
DDU	delivered duty unpaid (pay all costs for carriage to the agreed point, pay customs formalities, taxes etc payable upon exportation and where necessary for transit through another country)
DDP	delivered duty paid (goods made available at the named place in the country of importation – all risks and costs being incurred by the seller including duties, taxes etc incurred upon importation)

Investigation period

A period defined by the Commission over which importations of the goods are examined.

Like goods

Like goods are goods sold on the domestic market of the country of export (or to a third country) that are identical in all respects to the goods under consideration or that, although not alike in all respects have characteristics closely resembling those of the goods under consideration. The term 'like goods' also refers to the goods produced by the Australian industry allegedly being injured by dumped imports.

Normal value

Australian legislation sets out several ways to assess 'normal value'.

The preferred method is to use the price paid for like goods sold for domestic consumption in the country of export. Usually, these sales are made by you, but there may be circumstances where it is appropriate to use sales made by other sellers on the domestic market.

Sale prices must be at arms length and in the ordinary course of trade. In the absence of relevant or suitable domestic sales, the normal value may be determined by constructing a price based upon all costs to make and sell the goods. Profit may also be included if the sales on the domestic market are profitable. Alternatively, the normal value may be ascertained using the price paid for like goods sold in the ordinary course of trade at arms length to customers in a country other than Australia, however this option is rarely used.

Finally, when a normal value cannot be ascertained by any of the above methods, or if no information is provided, the Commission will determine the normal value by considering all the relevant information, including the applicant's information. This allows the applicant's information to be used where sufficient information has not been furnished or is not available.

Where domestic price generally and the trade of the exporting country are determined or substantially influenced by the government of the exporting country, an alternative/surrogate market economy is selected by the Commission and the normal value is determined as if the surrogate country were the export source.

Ordinary course of trade

Testing for 'ordinary course of trade' includes a comparison of the selling price and the unit cost to make and sell for the same period. If sales in respect of a substantial quantity of goods over an extended period of time, usually 12 months, do not recover all costs and these losses are not likely to be recovered within a reasonable period of time (again usually 12 months), then the sales are regarded as being not in the ordinary course of trade.

There may be circumstances where it is appropriate to use a period other than 12 months in assessing whether sales are in the ordinary course of trade.

Unprofitable sales are to be taken to have occurred in substantial quantities during an extended period where the unprofitable sales amount to 20% or more of the total volume of sales of the goods by the exporter over the period. An extended period of time is usually taken to be a period not less than 12 months. Where unprofitable sales are rejected, normal value is based upon remaining profitable sales provided they occur in sufficient number. Where all sales have been made at a loss, or profitable sales are insufficient, the normal value may be constructed from costs to make and sell.

Selling, general and administration expenses (SG&A)

The selling, general and administration expenses includes all selling, distribution, general and administration expenses including finance costs that would be incurred if the goods were sold for domestic consumption in the country of export. The amounts are determined in each case using all the available information and may include expenses incurred in:

- domestic sales of like goods;
- sale of goods of the same general category by the exporter; or
- sales in the industry in the country of export.

However, the expenses must reflect the selling, general and administration costs of the goods. Administrative and selling expenses include: director's fees, management salaries and benefits, office salaries and benefits, office supplies, insurance, promotion, entertainment, depreciation and corporate overheads.

JSW Steel Limited

Regd. Office : JSW Centre,
Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
CIN. : L27102MH1994PLC152925
Phone : +91 22 4286 1000
Fax : +91 22 4286 3000
Website : www.jsw.in

PRODUCER'S DECLARATION

I hereby declare that JSW Steel Limited did not, during the period of investigation, export the goods under consideration to Australia. Notwithstanding the same, since its related company, JSW Steel Coated Products Limited. has exported the goods under consideration to Australia during the period of investigation, and therefore JSW Steel Limited. has completed relevant parts of the attached exporter's questionnaire, except such sections pertaining to export of goods under consideration to Australia did not, during the period of investigation export the goods under consideration and therefore have not completed the attached questionnaire.

Name: Sharad Mahendra

Signature: Mahendra 01/09/2014

Position in Company: Sr. Vice President – Sales Flat Products (Domestic & Exports)

Date: 1st September 2014

JSW STEEL LIMITED * MUMBAI, INDIA *

JSL - Annexure - 4

LIST OF DIRECTORS AS ON 30TH JUNE, 2014

Sr. No.	Name	Designation
1.	**Sajjan Jindal**	Chairman and Managing Director
2.	**Seshagiri Rao M.V.S.**	Joint Managing Director & Group CFO
3.	**Vinod Nowal**	Deputy Managing Director
4.	**Jayant Acharya**	Director (Commercial & Marketing)
5.	**S.K. Gupta**	Independent Director
6	**Vijay Kelkar**	Independent Director
7.	**Uday M. Chitale**	Independent Director
8.	**Sudipto Sarkar**	Independent Director
9.	**Kannan Vijayaraghavan**	Independent Director
10.	**Punita Kumar Sinha**	Independent Director
11.	**Hiromu Oka**	Nominee Director
12.	**V.P. Baligar**	Nominee Director

LIST OF KEY MANAGERIAL PERSONNEL OF JSW STEEL LIMITED AS ON 30TH JUNE, 2014

Sr. No.	Name	Designation
5.	**Sajjan Jindal**	Chairman and Managing Director
6.	**Seshagiri Rao M.V.S.**	Joint Managing Director & Group CFO
7.	**Vinod Nowal**	Deputy Managing Director
8.	**Jayant Acharya**	Director (Commercial & Marketing)
5.	**Rajeev Pai**	Chief Financial Officer
6.	**Lancy Varghese**	Company Secretary

LIST OF KEY SENIOR EXECUTIVES OF JSW STEEL LIMITED WITH REGARD TO MARKETING AS ON 30TH JUNE, 2014

1. Mr. Jayanat Acharya- Director (Commercial & Marketing)
2. Mr. Sharad Mahendra – Senior Vice President – Flat Products (Domestic and Exports
3. Mr. Vinay Shroff – Senior Vice President – Retail Sales
4. Mr. Praveen Dixit – Vice President – International Marketing
5. Mr. Rakesh Sharma – Associate Vice President – International Marketing

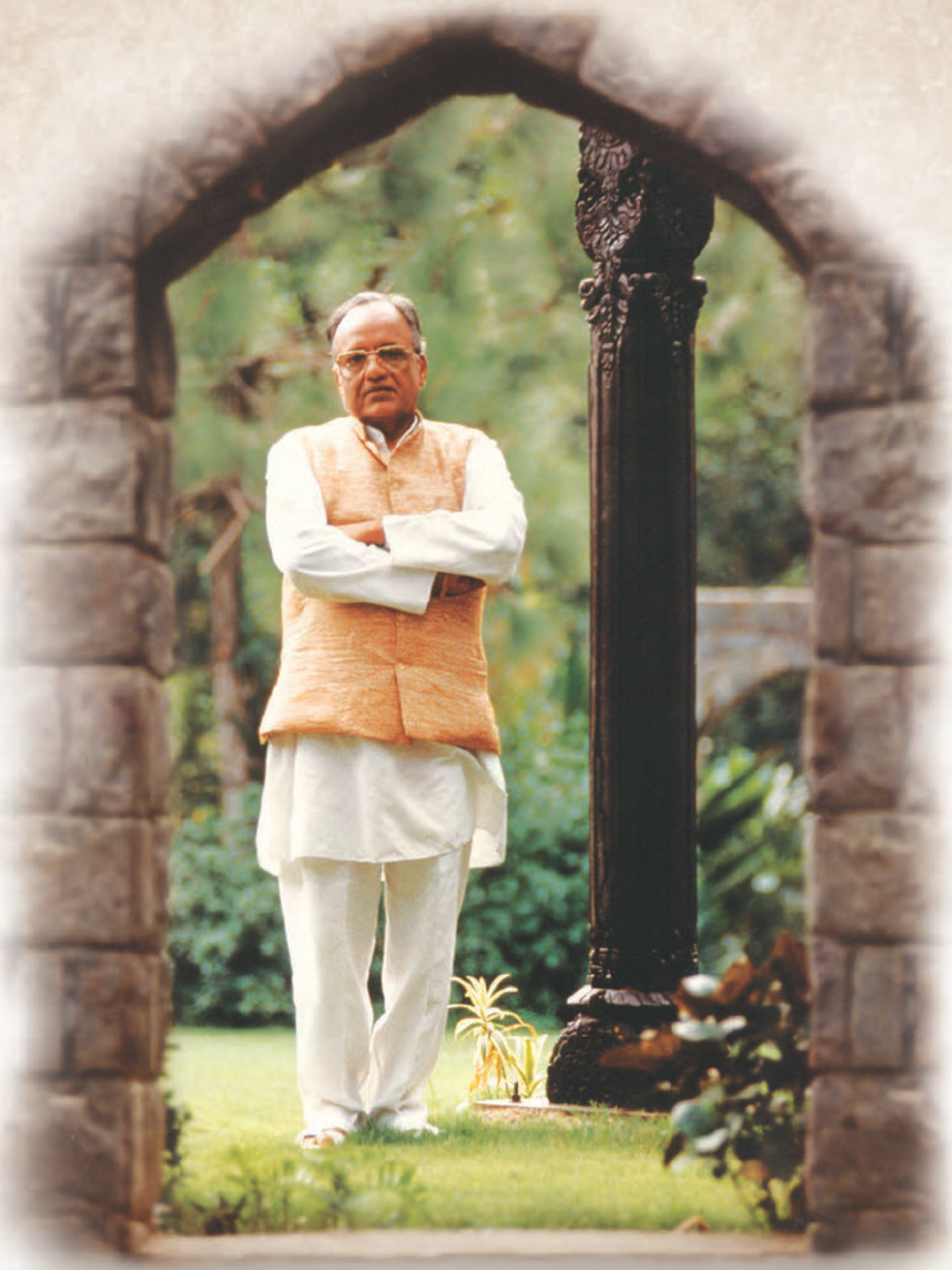
LIST OF KEY OPERATIONAL SENIOR EXECUTIVES OF JSW STEEL LIMITED AS ON 30TH JUNE, 2014

1. Dr. Vinod Nowal – Deputy Managing Director
2. Mr. P.Sasindran-Chief Technology, Innovation and Development.
3. Mr. S. Ranade – Executive Director Operations
4. Mr. G.S.Rathore – Executive Vice President – Steel Mill, PPC, Application Engineering
5. Mr. Shankar Pratap Singh – Senior Vice President – Projects C&ES
6. Mr. M.R. Warrier – Sr. Vice President – Finance & Accounts & Excise and Insurance

JSW Steel
Bringing alive a billion dreams
JSW Steel Limited

RESILIENCE AND GROWTH

ANNUAL REPORT 12-13



"Where others see walls,
I see doors."

Shri Om Prakash Jindal

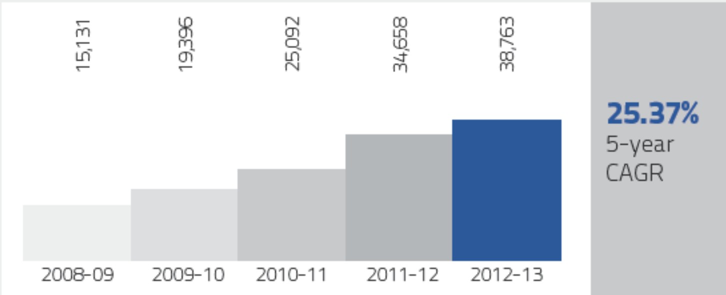
(7th August 1930 - 31st March 2005)
Visionary and Founder, OP Jindal Group

Shri Om Prakash Jindal, a visionary par excellence, inspired millions to follow their dreams. His ability to foresee development and the commitment to build a self-reliant nation created a paradigm shift in India's industrial scenario. A man with humble beginnings, he paved the way to success through sheer hard work and determination. Each one of us can find motivation in his story. His legacy lives on.

Resilience revealed through performance

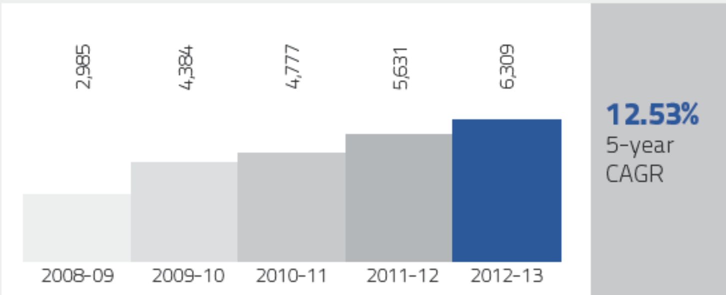
Gross Turnover

₹ in crores



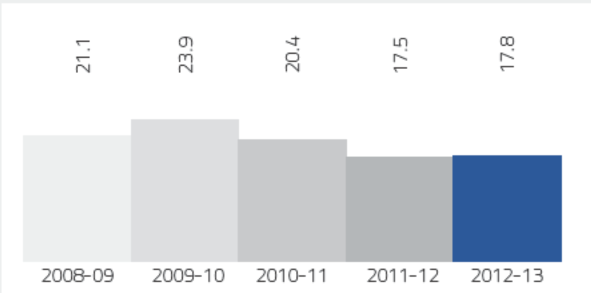
Operating EBIDTA

₹ in crores



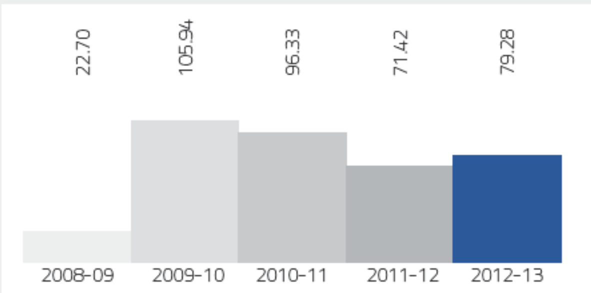
Operating EBIDTA Margin

%

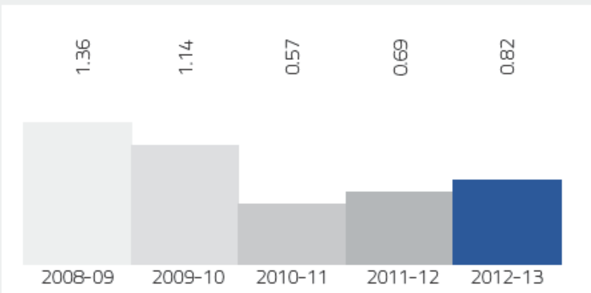


Earnings per share – (Diluted)

₹



Net Debt Equity Ratio*



*Excluding acceptances

Key Highlights (Standalone)

8.52 MnT
Crude Steel Production up by 15%

8.87 MnT
Saleable Steel Sales up by 14%

₹ 38,763 crores
Gross Turnover up by 12%

₹ 35,388 crores
Net Turnover up by 10%

₹ 6,309 crores
Operating EBIDTA up by 12%

₹ 2,504 crores
PBT up by 20%

₹ 1,801 crores
PAT up by 11%

8.17 %
Weighted average cost of Debt

₹ 79.28
Diluted EPS

₹ 10 per share
Equity Dividend

CONTRIBUTION TO GOVERNMENT & SOCIETY

(₹ in crores)

	2010-11	2011-12	2012-13
Direct Taxes	726	610	785
Indirect Taxes	1,693	2,325	3,012
Contribution to Society*	27	32	31
	2,446	2,967	3,828

* Including capex

29% Growth in contribution to government and society

Contents

CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

2012-13 has been a rather challenging year for the steel industry and for the Indian economy as a whole. The year started with concerns about the global economic slowdown on account of fiscal imbalances, and reduced trade and investments in advanced economies. These concerns sustained throughout FY 2012-13 and prevented the world from achieving any sort of meaningful recovery. The domestic economy too suffered a decade-low GDP growth of 5% not only on account of global headwinds but also due to RBI's liquidity tightening measures, a constrained investment pipeline as well as a widening current account deficit.

The global steel industry is also going through a challenging phase, which has been aggravated by excess capacity and weak demand growth. Globally, there is an installed crude steel capacity of about 2 billion tonnes per annum, with China accounting for around 50% share. In contrast, 2012 global finished steel consumption stood at 1.4 billion tonnes, with China accounting for about 46% share. The global industry is under pressure on account of a widening gap between demand and supply in China and in the absence of consolidation.

The domestic steel industry faced significant impediments in the form of weak demand growth of 3.3%, the lowest since 2009. The elasticity of steel demand to GDP growth in FY 2012-13 stood at 0.65, compared to a 10-year average of 1.16, indicating a less steel intensive phase of growth.

Moreover, there was pressure of rising imports, especially from countries with which India has signed Free Trade Agreements (FTA) like Japan and South Korea.

Harnessing our resilience

In difficult times, your company taps its inherent strengths to adapt to changing circumstances and devise new ways to deal with adversities. I am happy to inform you that this is precisely what we achieved. As you are aware, the ban on iron ore mining in Karnataka, imposed in July 2011, impacted us severely. As a result, in order to remain competitive, we channelised our innovative energy and, in a true measure of resilience, adopted a series of initiatives to mitigate the impact of this adversity.

To begin with, we successfully used low-grade iron ore material. Our decision to build a 20 MTPA beneficiation plant stood us in good stead, and allowed us to utilise extremely inferior grade iron ore material to make steel. In doing so, we have developed a know-how, which can meaningfully extend the mine-life of iron ore resources in Karnataka's Bellary-Hospet region. We are now investing in R&D to reduce our dependence on high quality iron ore and substitute it with inferior iron ore feedstock.

We also modified our fuel blend, which helped us arrest cost increase meaningfully. Although the use of inferior grade material impacted both our furnace productivity and fuel rates adversely, we have been able to achieve the production guidance for FY 2012-13. With the gradual resumption of iron ore mining in Karnataka, we are hopeful of the iron ore quality improving in the coming months, which will help us in improving our productivity and utilisation.

Despite sluggish demand, rising imports and constrained availability of quality iron ore, our overall sales increased by 14% to 8.9 MnT. Domestic sales grew by 9% to account for 7 MnT of total sales. As a result, our overall share in the domestic market increased to 10% and our contribution to the country's incremental demand growth in 2012-13 stood at 26%. We also capitalised our global competitiveness by increasing export sales by 32% to 1.9 MnT during the year, when the country's finished steel exports grew by 15%.

We continue to invest in improving productivity and efficiency, enriching product portfolio and preparing ourselves for future opportunities. Towards this, we completed the second phase of our 20 MTPA beneficiation plant; enhanced capacities of Corex II, Blast Furnace 2 and Hot Strip Mill 2 at Vijayanagar; upgraded the continuous galvanising line at Vasind; enhanced the capacity of colour-coating lines at Tarapur and installed a state-of-the-art 0.15 MTPA construction grade colour-coating lines at Vasind, to name a few.

Exploring growth avenues

Your company is in the process of implementing a Composite Scheme of Arrangement and Amalgamation through which JSW ISPAT Steel is being merged with JSW Steel. After requisite statutory approvals, the Honourable High Court of Judicature at Bombay sanctioned the said scheme on May 3, 2013.

To enrich our product portfolio, we are implementing the following projects:

- A state-of-the-art appliance grade 0.075 MTPA Colour Coating Line at Vasind
- A new CSD5 0.2 MTPA Galvanising Line with dual products of Galvanised and Galvalume Steel at Tarapur
- A new 2.3 MTPA Cold Rolling Mill 2 at Vijayanagar: Phase I is expected to be commissioned by FY 2013-14 and Phase II is expected to be commissioned by FY 2014-15
- Phase I of a new 0.2 MTPA non-grain Oriented Electrical Steel facility is expected to be commissioned by FY 2014-15

Your company is committed to the 10 MTPA integrated steel project in West Bengal and have made significant progress in securing the requisite regulatory clearances during the year. An application for prospecting license has been made through the West Bengal Mineral Development & Trading Corporation (WBMDTC) for an iron ore concession in Jharkhand. Simultaneously, we are also working towards securing long-term iron ore supply arrangement from third parties. Once iron ore sourcing is tied up, project work will be further expedited.

The Ministry of Environment & Forest (MoEF) granted the Stage – 1 Forest Clearance for iron and manganese ore mining project in Ankua and the Rohne coking coal block in Jharkhand.

For the Greenfield project in Jharkhand, your company is pursuing various approvals / clearances for raw material linkages, land acquisition, environmental clearance and other statutory clearances.

The road ahead

High Current Account Deficit (CAD) levels and a consequent weakening of the domestic currency create severe impediments to the sustainable growth of India's economy. The Government of India must adopt measures to bridge the high CAD levels and adopt policies to enhance exports. This requires a shift from a regime of deficits and supply bottlenecks, which can only be achieved by enhancing new capacities. For this, clearances for various investment projects, which have been in the works for a long time, need to be facilitated on an expeditious basis.

India is endowed with a rich mineral deposit base, which needs to be tapped sustainably to support growth in the domestic industry. If we do not employ measures to gainfully utilise this mineral wealth for the benefit of our population in the near future, our nation will loose out on a great opportunity to gain prosperity. In a few decades, with the vast amount of scrap generation, the use of iron ore will become limited. Similarly, usage of fossil fuels like coal is likely to decline sharply in a few decades, given rapid technological advances and an increased focus on renewable energy. Therefore, the government should make all efforts to encourage opening up of these mineral deposits over the next few years in an environmentally sustainable manner.

JSW Steel's business vision is centred on sustainability. We realise that only by creating a sustainable future, we can pave the way to help shape a self-reliant India. We believe that inclusive growth is the visible manifestation of sustainable prosperity, hence we focus on offering value to all our stakeholders. Our employees have been instrumental in providing a robust foundation for JSW Steel, from where we draw inspiration and continuously strive to set new benchmarks.

We are optimistic and remain committed to India's growth story. We believe that India's long-term growth potential remains intact, supported by structural trends of attractive demographics, rising industrialisation and urbanisation. We are confident that our resilience will allow us to make the most of the available opportunities. We look forward to enjoying your support during our journey.

Best wishes,

Sajjan Jindal
Chairman & Managing Director

RESILIENCE AND GROWTH

The last few years have been remarkably tough for the global economy. Over the past year, the uncertainties of a fiscal imbalance in developed economies combined with falling trade and investments impacted investor sentiments. The US economy improved, albeit marginally. China, too, witnessed slowing investments and industry production.

India has not remained entirely immune to these headwinds. There is a moderation in GDP growth, inflation remains a deterrent to economic growth, the capital markets are depressed, our currency is at historic lows and the fiscal and current account deficit chasm remains a matter of concern.

JSW Steel Vijayanagar Complex

PUTTING INDIA ON THE GLOBAL STEEL MAP

In January 2013, JSW Steel emerged as the fourth most competitive steel maker in the world, based on an assessment carried out by World Steel Dynamics. The assessment of 34 world-class steel makers was based on 23 parameters, including technology, profitability, cost reduction and financial health. JSW Steel secured full marks on conversion cost and yield, labour cost, expanding capacity and location in a high growth markets.

These challenges notwithstanding, India has demonstrated remarkable resilience and strength of character. Seen in the context of how major economies have been impacted, this seems even more creditable. Our financial institutions are strong, domestic consumption trends are healthy, investments in infrastructure remain steady, and the overall efforts to elevate lives continue.

In many ways JSW Steel's story mirrors that of India – characterised by resilience and growth through a hostile macroeconomic environment. Not just that, as the country's leading integrated steel producer with a combined 14.3 MTPA steel capacity[1], JSW Steel is an enthusiastic participant in India's growth story. A story of over a billion people, whose aspirations are driving the second trillion dollar leg of an economic powerhouse. We remain confident about our long term direction and fundamental strengths.

A steadily rising per capita steel consumption curve contributes in no small measure to our optimism for the journey ahead. India's per capita steel consumption has risen from 29 kg in 2001 to 59 kg in 2012. Despite this, it is still lower than the global average of 215 kg, signalling a potential for rapid volume upsurge. As a priority, we aligned our capacity enhancements to this opportunity and, within the same period, have grown from 0.8 MTPA to 14.3 MTPA. We stand committed to setting up capacities which are capable of producing an array of steel grades, addressing the needs of India's growth and creating a self-reliant India.

In 2012-13 we reported a significant improvement in our performance. It is gratifying to see the progress we have made despite the challenges we faced. Our resilience stems from ensuring raw material supplies, realising greater cost efficiencies, leveraging our technological proficiency and calibrating our product-mix.

These initiatives in addition to management expertise have enabled us to weather a downturn in the steel cycle. They have also equipped us with a spirit of optimism, and fortitude to counter any challenges ahead. Despite shifting realities in the short term, our long term commitment to create a self-reliant India remains unwavering.

We believe our resolve will define the next leg of our quest, and help strengthen the steely foundation of the 21st century India.

[1] Post-merger with JSW ISPAT Steel Ltd.

SELF-SUFFICIENCY STARTS WITH ENSURING RAW MATERIAL SUPPLIES

As an infrastructure hungry nation, India is making rapid strides in growth across all forms of capital assets. A crucial enabler in this is to ensure sustainable resource supplies. Over the past few years, India has witnessed a huge churning in the dynamics of allocating and distributing resources of all kinds.

At JSW Steel, prudent strategies to tie-up resources form the cornerstone of our resilience and growth paradigm. Our efforts are directed towards ensuring that we have the raw materials we need at the right time without having to depend on limited number of resources, or without compromising on our profitability.

These strategies extend not only around multiplying sources, but also deploying capital investments and technologies to ensure consistent product quality at JSW Steel.

Iron ore

The benefits of beneficiation

India has abundant iron ore reserves. However, the ban on mining in Karnataka from where we procure a bulk of our high quality iron ore requirements, posed a serious challenge. Although the ban has been gradually lifted, beginning with Category A mines, sourcing iron ore remains a critical issue. A Beneficiation Plant at the Vijayanagar Complex, allows us to process low-grade iron ore as well as BHQ (Banded Hematite Quartz) ores, which is plentiful in Karnataka. Not just that, we have also acquired iron-ore mines internationally. This will allow us to ensure continuous production at our plants.

BENEFICIATION PLANT

- JSW Steel is the first steel manufacturer in the country to introduce a patented beneficiation technology that can effectively utilise low-grade iron ore. This technology uses sinter fines in the melter-gassifier unit of the Corex plant at Vijayanagar.
- The focus on beneficiation of low grade iron ore has led to optimum resource utilisation, allowing JSW Steel to continue production despite constrained supplies of iron ore.

RMHS at Vijayanagar

Coal

The volatility in global minerals markets across the past years have led to irregular supplies from primary producers to steel making regions. Production was hampered due to industrial strikes, infrastructure and weather disruptions in Australia and Mozambique and accidents in Canada.

We adopted a simple approach to see through this problem. We sourced coal from different geographies and different suppliers leading to reduced dependence on any one particular region.

The increase in the number of sources enabled us to strike the right balance between the procurement of key raw materials, tiding us through unforeseen events, optimising our raw material blend and gaining a cost advantage.

JSW Steel's strategies to secure critical inputs contributed to resilience in a challenging scenario, allowing it to secure raw material supplies and ensuring continuous growth in production.

15%
crude steel production growth

Notwithstanding roadblocks in the regulatory environment and raw material supply, the year saw smooth production owing to the use of beneficiation technology and diversified sourcing of coal.

17
The number of sources JSW Steel procures coking coal from

The dependency on supply from a single region has been reduced significantly during the past two years.

COST EFFICIENCY DRIVES GROWTH IN A RESOURCE-SCARCE WORLD

At the heart of India's reinvention as a globally favoured manufacturing destination lies its ability to drive and sustain a frugal cost environment. In a world grappling with an ever-escalating cost regime, India continues to remain competitive and attractive. In many ways, this is both a driver of resilience and an enabler of future growth.

60 TPH
BF Gas-fired Boiler

Maximises the utilisation of flue gases leading to reduced fuel costs and increased savings

At JSW Steel, we draw inspiration from this national trait, and work tirelessly to take it further. Our ability to sustain performance and remain profitable is a function of our strict vigilance on costs and a culture of constant innovation to reduce the same.

In 2012-13, particularly, our efforts at focusing on optimising cost of production yielded positive results. Faced as we were, with raw material shortages and poor quality supplies accentuated by the prevailing uncertainty in the regulatory environment, we

Slab Caster at Vijayanagar

succeeded in reigning in costs through various measures of cost-efficiency in our production processes. Constant monitoring of processes resulted in enhanced yields. Various other methods such as recycling materials to achieve optimum utilisation, procurement of raw material at appropriate prices and various technological enhancements (including changing of coal blends), further enhanced competitiveness.

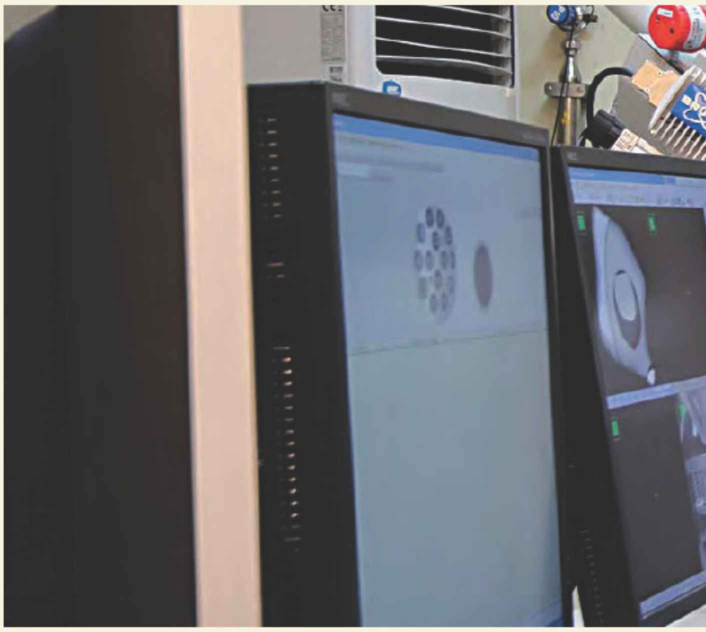
Reduced costs through optimised coal blending

At JSW Steel, coal is blended in a manner so as to retain its quality and properties, to ensure optimised coal mixtures and reduced manufacturing costs. In order to reduce the cost of production, optimising the blend of coal in the coke oven is a prerequisite. Throughout 2012-13, we worked ceaselessly to increase the percentage of semisoft coking coal in the coal blend vis-à-vis the percentages of the more expensive hard and semi-hard coking coal. This practice gave us dual benefits through tremendous cost-savings and a reduction in ash content.

Result

As a result of various initiatives, JSW Steel not only has a lower cost of raw material consumption but also maintains one of the lowest cost of conversion in the industry. These cost effective measures allows the Company to provide products at competitive prices.

TECHNOLOGICAL PROFICIENCY ENHANCES GLOBAL COMPETITIVENESS



Technology is an ever-evolving universe. It continues to surprise us through the far-reaching consequences and makes possible a constant realignment with consumer aspirations.

India's ability to embrace all forms of technology, and indeed play an important part in its evolution in recent years, is a tribute to the ingenuity of the vast resource pool it houses. Its increasing adoption represents an opportunity that will bring us up to speed with globally prevalent trends.

At JSW Steel, enhanced technological expertise is a continuous and consistent endeavour. It enables us to play a part in the transformation of the industry, as well as to maintain and grow our edge. Eventually, it facilitates resilience and fast tracks our growth. Our investments in advancing our technical proficiency and implementing process innovations have allowed us to put India on the global steel map.

Adopting new technologies

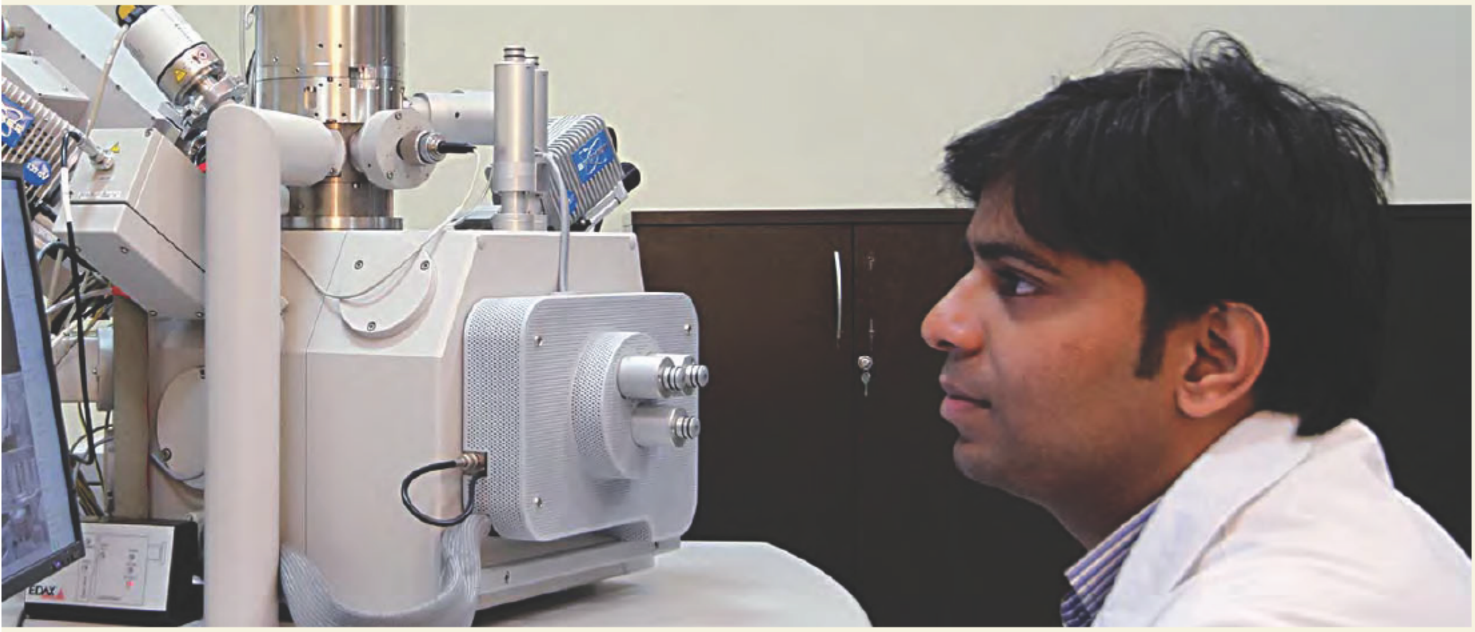
We are the only player in the Indian steel industry to have implemented a range of technologies including Corex, Blast Furnace, DRI, Twin Shell ConArc[2]. This combination has led to optimum resource utilisation. We have consistently upgraded our facilities by using different technologies to produce hot metal, and varying grades of steel. These technological upgradations have helped moderate costs through reduction in fuel rates in blast furnaces, enhanced usage of sinter fines in Corex, cleaner steel production, better ability to handle high slag rate regime, handling of high slag rate and a focus on beneficiation of low grade iron ore.

[2] Post-merger with JSW ISPAT Steel Ltd.

8.2 MTPA
Total capacity of both Hot Strip Mills at JSW Steel

2,100 mm & 1,250 mpm

Widest and fastest Hot Strip Mill in the country that can roll products up to 2,100 mm width at a speed of 1,250 meters per minute – very few companies in the world have this capability.



R&D Centre

Corex at the core

We are among the world's top three steelmaking companies to have successfully utilised the Corex technology. It is considered to be the most environment friendly manufacturing technology for steel, given its low requirement of water and energy.

Collaboration with JFE Steel Corp., Japan (JFE)

We collaborated with JFE to further fortify our technology backbone.

Synergies derived from alliance with JFE:

- Leveraging JFE's expertise in the pre-treatment of hot metal to ensure timely supply of hot metal to melt shops
- Provision of technical assistance for state-of-art-technology of CRM II complex consisting of Pickling Line and Tandem Cold Mill (PLTCM), Continuous Annealing Line (CAL) and Continuous Galvanising Line (CGL)
- Adoption of new technologies to save energy consumption in its blast furnaces
- Initiate studies to make headway with Government of Japan in adopting energy saving technologies in steel melt shops and hot rolling mills
- Knowledge and advanced steel technology sharing through personnel exchange programmes spanning across various functional domains
- Heightened and amalgamated QA/QC circles into an elite Product Development & Quality Control (PDQC) group to better service the targeted automotive customers
- Development of high-end automotive exposed and unexposed grades using Hot Rolled substrates and initiating the approval procedure with marquee automotive clientele

Developing high grade steel

In India, the high tensile steel grade is primarily imported. We diversified into the production of CRCA Coil to tap into the latent demand for domestic value-added flat products. As such, we added a 1 MTPA CRM Complex and are planning to augment its capacity by adding a 2.3 MTPA CRM Complex at the Vijayanagar plant. These CRM facilities are tandem lines giving us the benefits of better yield and quality.

The rise in demand for consumer durables is driving the country's requirement for electrical steel. Electrical steel is primarily imported because of lack of technological prowess in India. To address this opportunity, we plan to set-up Cold Rolled Non-Grain Oriented (CRNO) manufacturing facility with a manufacturing capacity of 0.2 MTPA at the Vijayanagar plant.

JSW Steel's investments in technology enable it to integrate forward to high-end value-added steel products and position it to capture growth in newer markets in the long term.

Partnering with global automotive majors

4 new CRCA grades have been developed

Auto approvals have already been received from major automobile manufacturers. Owing to its ability to cater to these clients, JSW Steel is in the process of conducting trials for 50 new CRCA products for its OEM automotive customers.

DIVERSE AND ENRICHED PRODUCT MIX ENABLES WIDER MARKET REACH

The diversity of India not just as a society but also as a market is a well understood phenomenon. While it represents a significant opportunity, it is also a challenge to align product offerings with the evolving needs of a vast population. Not just that, India's growth will be defined by the ability of producers to ensure that products reach consumers where they want it, when they want it.

In the context of a product like steel, ensuring proximity to customers may seem challenging. This is exactly why at JSW Steel, we sought to address this challenge and delivered on it.

We adopted a two-pronged strategy by building a more market-facing product portfolio and extending our reach to a larger number of customers and addressing their varied requirements. This enabled us to enhance our market strength and brand stature.

Consistent economic growth drives per capita income growth and customer aspirations for better quality products. Our understanding of diverse customer requirements drives its focus on extending its product mix. This has led to the development of 32 new product grades including line pipes, medium carbon and automotive grade steel over the past year.

400
retail stores in India

25%
domestic sales (excluding semis) through retail

CRM Complex

Establishing a unique retail model

The focus on branded products has been a key priority to establish ourselves in the mindspace of end customers. We formulated a strategy to expand our network and increase penetration geographically, by ensuring that our steel reaches consumers directly. The retail model adopted, through JSW Shoppes, captured demand from semi-urban and rural areas, and proved to be extremely successful.

Additions to branded products have included galvanised corrugated sheets (JSW Vishwas) and galvanised colour-coated sheets (Pragati).

To enhance customer service, we implemented loyalty programmes and customer relationship initiatives through Shoppes and with second-line retailers as well. Additionally, plans to set up branded service centres which provide a plethora of value-added products and services to consumers are on the anvil. These centres will offer colour-coated sheets for roofing to customers who aspire to move away from the traditional use of galvanised products.

JSW Steel's continued efforts to augment its product mix and harness an extensive pan-India retail network has allowed it to address growing steel demand from rural and semi-urban areas.

JSW SHOPPE

Leveraging a unique nationwide retail network, JSW Shoppe is a one stop shop catering to users and small and medium enterprises in India's semi-urban and rural markets.

MANAGEMENT EXPERTISE CATALYSES PROGRESS

An important facet of the resilience and growth that India characterises is a function of the human talent it possesses.

At JSW Steel too, our proactive and dynamic management team has ensured that we are able to navigate challenges presented by economic volatilities and difficult market conditions.

Over the years, we have moved from strength to strength, steered by innovative and courageous management decisions that have ensured consistent resilience and accelerated the growth trajectory.

The forward-looking decisions of the management have also been vital for the nation's steel sector. The Management's foresight has enabled JSW Steel to make continuous investments in capacity building to cater to the country's growing steel demand.

These expansions will address India's critical need for infrastructure and help create a secure and self-reliant India.

Exploring avenues of growth

The Management's vision and growth strategies have been driven by ahead-of-the-curve strategies which allowed the Company to swiftly adapt to industry dynamics. These included:

Organic and inorganic expansions

The Management identified attractive growth opportunities and was quick to leverage them through:

> Growth via organic and inorganic (e.g., SISCOL, ISPAT Industries) routes

> Efficient inorganic expansion (e.g., Dolvi, Vijayanagar, Vasind and Tarapur) to increase domestic presence

Raw material integration

Securing raw material sources remains a priority. As such, the Management endeavours to:

> Diversify portfolio of raw material sources

> Focus on raw material self-sufficiency

Value addition

The Management strengthens industry alliances with a view to expand its value-added product portfolio through:

Dr. Nowal with Employees

- Strategic tie-ups / JVs with leading industry players (JFE, Severfield, Marubeni-Itochu, Structural Metal Deck)
- Technological collaborations

Under the able stewardship of its management, JSW Steel is well on its way towards achieving a vision of creating a self-reliant India by participating in the country's growth story.

COMPLEMENTING STRENGTHS THROUGH ACQUISITION OF ISPAT INDUSTRIES

In 2010, the management identified a strategic fit with ISPAT Industries. JSW Steel's acquisition of ISPAT Industries opened up several strategic avenues including increased access to alternative steel making technologies, ability to achieve swift capacity expansion and a pan-India market reach. Other benefits that are expected to accrue to JSW Steel through this association include:

- Access to seaborne routes and markets, reducing dependence on domestic raw material supply; thus enjoying better access to bulk imports and finished goods exports in India
- Diversifies the Company's risk profile
- Broad-bases technological capabilities and ensures flexibility in production processes

RESPONSIBLE ENVIRONMENTAL STEWARDSHIP

At JSW Steel our sustainability strategy revolves around protecting the environment and conserving the biodiversity in the areas surrounding our facilities. We constantly endeavour to reduce adverse environmental impact to minimal levels by investing significantly in environment management.

₹ 162 crores

Total investment towards environmental management (Vijayanagar, Salem and Vasind)

Vidya Nagar Township at Vijayanagar

Water management

We have invested in advanced technologies for water treatment plants at all our locations. These technologies helped us to reduce water consumption by recycling and reusing water.

Waste management

A steel company usually generates various hazardous and non-hazardous wastes. To reduce the raw material intensity, we aim to reuse waste to the maximum extent possible and dispose residual wastes responsibly.

Air emissions

We periodically monitor air emissions from all stacks. As such, we have implemented various measures to reduce air pollution and suspended particulate matter (SPM) emissions in order to maintain air emissions within limits stipulated by the Pollution Control Board.

Biodiversity

Our Vijayanagar facility is located near a biodiversity-sensitive zone. The appraisal committee of the Ministry of Environment and Forests, Government of India, has visited the plant facilities. The committee members have confirmed that our operations have no adverse effects on wildlife.

TAKING COMMUNITIES ALONG

JSW Steel's vision is to empower communities with sustainable livelihoods. As such, we are committed to elevate the lives of communities around our plant locations. An approach towards inclusive growth is embedded in our corporate philosophy to nurture local communities and engage with every stakeholder group. We work closely with local stakeholders to strengthen community initiatives and remain committed to create more smiles for every tonne of steel produced.

Farmer beneficiary of JSW Steel's outreach efforts

We endeavour to create long-term value for the business and society. We also strive to assess the impact of our operations on local agriculture, bio-diversity and health. The assessment is conducted through periodic third-party impact studies and other research, with special emphasis on empowering women and helping the society's deprived sections.

₹ 31 crores

Contribution (including capex) towards uplifting lives of communities, during the year

JSW Steel touches the lives of many people through various initiatives covering healthcare, education, community development and sanitation.

Healthcare

- Advocate safe deliveries, provision of nutrition and HIV mitigation
- Promote sanitation by creating awareness for individual toilets and organise pilot projects in waste management
- Work to reduce infant and maternal mortality rates
- Facilitate access to water and sanitation

Education

- Improve the quality and the way of delivering preschool and primary education
- Promote skill development by imparting vocational training and education
- Commence remedial classes for slow learners in government schools
- Upgrade government school infrastructure
- Establish Village Knowledge Centre in collaboration with MS Swaminathan Research Foundation
- Continue skill building for young people at the OPJ Centre, Vijayanagar

Community development

- Address unemployment concerns by initiating vocational trainings to impart employable skills among local youth and promoting self employment
- Enlist indigenous communities and the marginalised sections of the local community in various development initiatives
- Collaborate with governments and partners with civil society organisations to alleviate poverty and implement sustainable models, while ensuring effective community outreach
- Contribute in the resettlement of displaced communities. Installed solar facility at the existing computer-aided learning centres and distributed solar lanterns with charging facility in local government schools
- Initiate a community-based water supply scheme in village Talur, Vijayanagar

Unwavering commitment

JSW Steel committed to contribute around 2% of its net profit towards community development activities. The fund will be allocated to empower women, impart primary education, mitigate infant mortality and nurture maternal health. The Company also aims to safeguard the environment by conserving water, using renewable energy and promoting hygienic sanitation. It also creates viable working models through engaged social processes and infrastructure-oriented development. JSW Steel encourages performing arts and sports. Besides, the Company helps conserve cultural heritage and actively promotes community development activities through employee volunteerism.

Computer-aided learning centre

OP Jindal Centre for Vocational Training

Tailoring workshop

LEADING THROUGH TEAM-BUILDING

At JSW Steel, our resilience and growth is defined by the tenacity of every member of our team. Going by productivity per person for every tonne of steel manufactured, we are easily one of the industry leaders.

Beyond organisational productivity, we strive to be a preferred employer by facilitating an environment that promotes individual goal setting, continuous career improvement, health and safety awareness and corporate sustainability measures.

Since inception, we have gained competencies from diverse cultures, educational backgrounds and domain experience to accelerate growth. We have reinforced this focus through institutionalised multi-hierarchical training, extending from steel manufacturing to holistic personality development.

CREATING LEADERS

At JSW Steel, we believe that nurturing our employees' potential will enable us to achieve our vision of creating a self-reliant India. As such, we inculcate an entrepreneurial spirit within our employees and encourage them to think like leaders, guiding them towards strategic decision-making. We have implemented initiatives to develop talent. These include:

- Leadership competency framework that reinforces competencies through focused training, feedback and mentoring-coaching initiatives
- Succession management process that grooms leaders from within the organisation
- 360 degree feedback process that enables individuals to develop leadership potential by helping them to capitalise on their strengths.
- Horizontal integration that makes the organisation leaner

Employees at the OP Jindal Centre

Employees at the Control panel of the CRM Complex

New recruits at JSW Steel

Our HR strategies exercise and promote the following:

- Implement an employee-centric framework across all operations
- Continue various leadership and succession development programmes to cultivate competencies and groom future leaders
- Initiate functional, technical and behavioural training programmes to all employees
- Create a discrimination-free workplace and are proud to adopt a zero-tolerance approach towards harassment
- Make various facilities (housing, educational institutions, recreational facilities, centres of excellence and training institutes, among others) available in the vicinity of plants
- Inculcate a culture of safety training and supervision for all employees; also addressing their healthcare needs

Strong Commitment to HR Excellence Award

JSW Steel's focus on creating an environment conducive to the personal and professional development of its employees has been recognised consistently. During the year, the Company received the Strong Commitment to HR Excellence award from the Confederation of Indian Industry (CII) at its Third National HR Conclave 2012.

Employees on the shop floor

BOARD OF DIRECTORS

The Board of Directors at JSW Steel provides guidance and foresight required to achieve our vision of creating a self-reliant India. Their industry experience and insights form the driving force behind our achievements.

Chairperson Emeritus

Mrs. Savitri Devi Jindal

Executive Directors

Mr. Sajjan Jindal
Chairman & Managing Director

Mr. Seshagiri Rao M.V.S.
Jt. Managing Director & Group CFO

Dr. Vinod Nowal
Dy. Managing Director

Mr. Jayant Acharya
Director (Commercial & Marketing)

Non-Executive Independent Directors

Dr. S.K. Gupta
Director

Mr. Anthony Paul Pedder
Director

Dr. Vijay Kelkar
Director

Mr. Uday M. Chitale
Director

Mr. Sudipto Sarkar
Director

Mr. Kannan Vijayaraghavan
Director

Mrs. Punita Kumar Sinha
Director

Nominee Directors

Mr. P.B. Ramamurthy
Nominee Director of KSIIDC

Mr. Hiromu Oka
Nominee Director of JFE Steel Corp. Japan

Mrs. Zarin Daruwala
Nominee Director of ICICI Bank Ltd.

FINANCIAL HIGHLIGHTS

	STANDALONE					CONSOLIDATED				
	2008-09	2009-10	2010-11	2011-12	2012-13	2008-09	2009-10	2010-11	2011-12	2012-13
REVENUE ACCOUNTS (₹ IN CRORES)										
Gross Turnover	15,130.71	19,396.43	25,092.09	34,658.48	38,763.41	17,064.30	20,151.12	25,829.13	36,719.83	41,463.15
Net Turnover	13,952.67	18,142.27	23,124.57	32,060.47	35,387.63	15,886.26	18,896.96	23,861.57	34,123.65	38,094.96
Operating EBIDTA	2,985.42	4,383.92	4,776.90	5,630.80	6,308.82	3,071.44	4,157.86	4,867.90	6,101.89	6,503.92
Depreciation and Amortization	827.66	1,123.41	1,378.71	1,708.17	1,973.89	987.77	1,298.66	1,559.71	1,933.15	2,237.48
Finance Costs	836.82	904.70	854.17	1,186.41	1,724.48	1,168.13	1,119.35	1,060.26	1,427.30	1,967.46
Exceptional Items	790.13	-	-	820.96	367.21	794.78	-	-	824.94	369.37
Profit Before Taxes	677.23	2,814.71	2,778.53	2,094.56	2,504.12	314.93	2,195.06	2,437.90	1,993.35	1,999.34
Provision for Taxation	218.73	791.97	767.86	468.70	702.90	72.20	641.77	778.52	500.15	845.25
Profit after Taxes	458.50	2,022.74	2,010.67	1,625.86	1,801.22	274.91	1,597.55	1,753.98	537.68	963.11
CAPITAL ACCOUNTS (₹ IN CRORES)										
Gross Fixed Asset	16,896.75	21,795.58	27,407.35	35,091.01	37,606.70	22,388.91	26,792.05	32,683.89	41,445.53	44,553.30
Net Fixed Asset	13,086.44	16,866.14	21,102.15	27,090.58	27,638.79	18,309.16	21,452.79	25,810.66	32,568.08	33,402.48
Debt	11,272.63	11,585.10	11,951.34	15,930.02	17,908.36	16,550.22	16,173.04	16,476.16	19,909.11	21,345.98
Net Debt	10,849.92	11,090.50	9,797.46	12,771.20	16,366.04	16,038.17	15,656.23	14,159.21	16,643.78	19,533.07
Equity Capital	187.05	187.05	223.12	223.12	223.12	187.05	187.05	223.12	223.12	223.12
Reserves & Surplus	7,422.24	9,179.23	16,132.71	17,934.31	19,374.19	7,266.94	8,730.04	15,436.77	16,186.39	16,780.55
Shareholders' Funds	7,959.25	9,706.34	17,225.27	18,497.49	19,937.37	7,803.95	9,257.15	16,529.33	16,749.57	17,343.73
RATIOS										
Book Value Per Share (₹)	410.07	504.00	735.80	816.54	881.08	401.77	479.99	704.60	738.20	764.83
Market price Per Share (₹)	231.85	1,235.90	916.30	721.45	672.35	231.85	1,235.90	916.30	721.45	672.35
Earning per Share (Diluted) (₹)	22.70	105.94	96.33	71.42	79.28	12.88	83.29	83.83	22.65	41.71
Market Capitalisation (₹ in crores)	4,336.72	23,117.35	20,444.23	16,096.79	15,001.28	4,336.72	23,117.35	20,444.23	16,096.79	15,001.28
Equity Dividend per Share (₹)	1.00	9.50	12.25	7.50	10.00	1.00	9.50	12.25	7.50	10.00
Fixed Assets Turnover Ratio	1.07	1.08	1.10	1.18	1.28	0.87	0.88	0.92	1.05	1.14
Operating EBIDTA Margin	21.1%	23.9%	20.4%	17.5%	17.8%	19.2%	21.8%	20.2%	17.8%	17.1%
Interest Coverage	2.75	4.11	4.25	3.46	2.67	1.95	2.96	3.30	2.97	2.20
Net Debt Equity Ratio	1.36	1.14	0.57	0.69	0.82	1.99	1.65	0.84	0.98	1.11
Net Debt to EBIDTA	3.63	2.53	2.05	2.27	2.59	5.22	3.77	2.90	2.73	3.00

CORPORATE INFORMATION

Chairperson Emeritus

Mrs. Savitri Devi Jindal

Board of Directors

Mr. Sajjan Jindal
Chairman & Managing Director

Mr. Seshagiri Rao M.V.S
Jt. Managing Director & Group CFO

Dr. Vinod Nowal
Dy. Managing Director

Mr. Jayant Acharya
Director (Commercial & Marketing)

Mr. P.B. Ramamurthy
Nominee Director of KSIIDC

Mr. Hiromu Oka
Nominee Director of JFE Steel Corporation, Japan

Mrs. Zarin Daruwala
Nominee Director of ICICI Bank Limited

Dr. S.K. Gupta
Director

Mr. Anthony Paul Pedder
Director

Dr. Vijay Kelkar
Director

Mr. Uday M. Chitale
Director

Mr. Sudipto Sarkar
Director

Mr. Kannan Vijayaraghavan
Director

Mrs. Punita Kumar Sinha
Director

Company Secretary

Mr. Lancy Varghese

Auditors

M/s. Deloitte Haskins & Sells
Chartered Accountants

Bankers

Allahabad Bank
Bank of Baroda
Bank of India
ICICI Bank Limited
IDBI Bank Limited
Indian Bank
Indian Overseas Bank
Punjab National Bank
State Bank of India
State Bank of Mysore
State Bank of Patiala
Union Bank of India
Vijaya Bank

Registered Office*

JSW Centre, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
Tel. No. +91 22 42861000
Fax. No. +91 22 42863000
Website: www.jsw.in

* Shifted from Jindal Mansion w.e.f. June 20, 2013

Works

Vijayanagar Works

P.O. Vidyanagar, Toranagallu Village,
Sandur Taluk,
Bellary District, Karnataka – 583 275.
Tel: +91 8395-250120 to 30
Fax: +91 8395-250138/250665

Vasind Works

Shahapur Taluk,
Thane District, Maharashtra 421 604.
Tel: +91 2527-220022 to 025
Fax: +91 2527-220020/84/92

Tarapur Works

MIDC Boisar, Thane District
Maharashtra 401 506.
Tel: +91 2525 – 270147 / 270149
Fax: +91 2525 – 270148

Salem Works

Pottaneri, M. Kalipatti Village,
Mecheri Post, Mettur Taluk,
Salem District, Tamil Nadu-636 453.
Tel: +91 4298 – 278400 to 404
Fax: +91 4298 – 278618

Registrar & Share Transfer Agents

Karvy Computershare Private Ltd.
Plot No. 17 to 24, Vittalrao Nagar
Madhapur, Hyderabad - 500 081
Ph No: +91 40 – 23420815
Fax No. +9140 – 23420814
E-mail: einward.ris@karvy.com
Website: www.karvy.com
Toll Free No. of R&T Agent's exclusive call centre: 1-800-3454001

NOTICE

Notice is hereby given that the **NINETEENTH ANNUAL GENERAL MEETING** of the Shareholders of **JSW STEEL LIMITED** will be held on **Tuesday, the 30th July, 2013 at 11.00 a.m.** at Y.B. Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, Maharashtra, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013, the Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on 10% Cumulative Redeemable Preference Shares.
3. To declare dividend on Equity Shares.
4. To appoint a Director in place of Mr. Anthony Paul Pedder, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Uday M. Chitale, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint a Director in place of Dr. Vijay Kelkar, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

8. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT Mrs. Punita Kumar Sinha, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 28.10.2012, and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying her intention to propose Mrs. Punita Kumar Sinha as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

9. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 314(1) and other applicable provisions, if any, of the Companies Act, 1956 read with the Director's Relative (Office or Place of Profit) Rules, 2011 (including any amendments thereto or re-enactment thereof for the time being in force), consent of the Company be and hereby accorded for holding office or place of profit under the Company, by Mr. Parth Jindal, son of Mr. Sajjan Jindal, Chairman and Managing Director of the Company, with effect from 1st November, 2012 on a consolidated monthly remuneration of ₹ 1,00,000 (inclusive of all allowances and perquisites), with authority to the Board to approve at its discretion, any increase in his remuneration such that his total remuneration, including all allowances and perquisites shall not at any time exceed ₹ 30,00,000 per annum."

10. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT in supersession of the resolution passed at the Annual General Meeting of the Company held on 29.06.2010 and pursuant to the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act,1956 and the Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board), for borrowing from time to time, any sum or sums of money, on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) including rupee equivalent of foreign currency loans (such rupee equivalent being calculated at the exchange rate prevailing as on the date of the relevant foreign currency agreement) may exceed, at any time, the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of the Company and its free reserves shall not at any time exceed ₹ 40,000 crores (Rupees Forty Thousand crores only)."

11. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT in supersession of the Resolution passed at the Extra Ordinary General Meeting of the Company held on 28th December, 2007 and pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the Board of Directors of the Company ("the Board") to hypothecate/ mortgage and/or charge in addition to the hypothecations/ mortgages and/or charges created by the Company, in such form and manner and with such ranking and at such time(s) and on such terms as the Board may determine, all or any part of the movable and/or immovable properties of the Company wherever situated, both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company and the whole or any part of the undertaking(s) of the Company, together with power to take over the management of the business and concern of the Company in certain events of default, in favour of the Company's Bankers/Financial Institutions/ other investing agencies and trustees for the holders of Debentures/Bonds/other instruments/ securities to secure any Rupee/Foreign Currency Loans, Guarantee assistance, Standby Letter of Credit/Letter of Credit and/or any issue of Non-Convertible Debentures and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, and/or any other Non-Convertible and/or other Partly/Fully Convertible instruments/securities, within the overall ceiling prescribed by the members of the Company, in terms of Section 293(1)(d) of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all such deeds, documents, instruments and writings, as may be necessary for creating the aforesaid hypothecations/mortgages and/or charges and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution."

12. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) ("the **Act**") and subject to the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the **SEBI ESOP Guidelines**"), including the relevant circulars and notifications issued by the Securities and Exchange Board of India ("**SEBI**") from time to time including without limitation, Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular No. CIR/CFD/DIL/7/2013 dated May 13, 2013 and the Memorandum of Association and Articles of Association of the Company, consent of the Company be and is hereby accorded to the **JSWSL Employees Stock Ownership Plan 2012 ("JSWSL ESOP Plan 2012")** as approved, implemented and modified from time to time by the Board of Directors ("**Board**" which term shall be deemed to include any Committee thereof) and pursuant to which the Board has granted 47,38,224 employee stock options (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), in one or more tranches to the permanent employees of the Company (including Whole-time Directors of the Company but excluding employees who belong to the promoter or promoter group) employed in Grades L8 (Jr. Manager) and above of the Company, on such terms and conditions as the Board may determine from time to time and at such exercise price and other terms and conditions of the JSWSL ESOP Plan 2012 as better detailed in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation, filing necessary documents/statements with the Stock Exchanges, Statutory Authorities and other Agencies and such other regulatory authority as may be necessary and the Trustees of the Trust be and are hereby authorised to make suitable amendments to the JSW Steel Employees Welfare Trust Deed and Rules as may be applicable.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the transfer of equity shares upon exercise of option by the employees and utilization of the proceeds, as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of the powers herein conferred, to any Committee of the Directors or any other Director(s) or any other officer(s) of the Company to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to determine, modify and vary all other terms and conditions of the JSWSL ESOP Plan 2012 as the Board may in its absolute discretion determine subject to applicable law."

13. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to all applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) ("the **Act**") and subject to the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the **SEBI ESOP Guidelines**"), including the relevant circulars and notifications issued by the Securities and Exchange Board of India ("**SEBI**") from time to time including without limitation, Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular No. CIR/CFD/DIL/7/2013 dated May 13, 2013 and the Memorandum of Association and Articles of Association of the Company, consent of the Company be and is hereby accorded to the **JSWSL Employees Stock Ownership Plan 2012 ("JSWSL ESOP Plan 2012")** as approved, implemented and modified from time to time by the Board of Directors ("**Board**" which term shall be deemed to include any Committee thereof) pursuant to which the Board has granted 1,98,716 employee stock options (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time), in one or more tranches to the permanent employees of the Indian Subsidiaries/Associate entities of the Company (including Whole-time Directors of such Indian Subsidiaries/Associate entities but excluding employees who belong to the promoter or promoter group) employed in Grades L8 (Jr. Manager) and above, as the Board may determine from time to time, at such exercise price and other terms and conditions as detailed in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation, filing necessary documents/statements with the Stock Exchanges, Statutory Authorities and other Agencies and such other regulatory authority as may be necessary and the Trustees of the Trust be and are hereby authorised to make suitable amendments to the JSW Steel Employees Welfare Trust Deed and Rules as may be applicable.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the transfer of equity shares upon exercise of option by the employees and utilization of the proceeds, as it may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorised to delegate all or any of the powers herein conferred, to any Committee of the Directors or any other Director(s) or any other officer(s) of the Company to give effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to determine, modify and vary all other terms and conditions of the JSWSL ESOP Plan 2012 as the Board may in its absolute discretion determine subject to applicable laws."

By Order of the Board
For **JSW STEEL LIMITED**

Place : Mumbai
Date: May 23, 2013

Lancy Varghese
Company Secretary

NOTES:

1. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under Item Nos. 8 to 13 set out above and the details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors proposed to be appointed / re-appointed at the Annual General Meeting, is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

3. The instrument(s) appointing the proxy, if any, shall be deposited at the Registered Office of the Company, not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 17.07.2013 to 19.07.2013 (both days inclusive).

5. In order to provide protection against fraudulent encashment of dividend warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information which will be used by the Company for dividend payments:

   i) Name of Sole/First joint holder and Folio No.

   ii) Particulars of Bank Account viz.:
      - Name of the Bank
      - Name of Branch
      - Branch Code
      - Complete address of the Bank with Pin Code Number
      - Account type, whether Savings Bank (SB) or Current Account (CA)
      - Bank Account number allotted by the Bank

   In case of Shareholders holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Shareholders who wish to change such bank accounts may advise their DPs about such change with complete details of Bank Account including MICR Code.

   Shareholders residing at the centres where National Electronic Clearing Service (NECS) Facility is available are advised to avail of the option to collect dividend by way of NECS.

   Equity shareholders holding shares in physical form are requested to send their NECS Mandate Form in the format available for download on the Company's website (www.jsw.in), duly filled in, to the Registrars and Share Transfer Agent of the Company - Karvy Computershare Pvt. Ltd. In case of Equity Shareholders holding shares in electronic form, the NECS Mandate Form will have to be sent to the concerned Depository Participants (DPs) directly.

6. The amounts of unclaimed dividend declared by the erstwhile Jindal Iron & Steel Company Limited (JISCO) upto the financial year ended 31.03.1995 have been transferred to the General Revenue Account of the Central Government

in terms of Section 205A of the Companies Act, 1956. Shareholders who have not yet encashed their dividend warrants for the said period are requested to forward their claims in Form No. II prescribed under The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, to the Registrar of Companies, Maharashtra, Hakoba Compound, 2nd Floor, Fancy Corpn. Ltd. Estate, Dattaram Lad Marg, Kalachowkie, Mumbai 400 033.

Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims, by the Fund. Accordingly, all unclaimed / unpaid dividends of the erstwhile Jindal Iron & Steel Company Ltd (now merged with JSW Steel Limited) in respect of financial years 1995-96 to 2003-04 has been transferred to IEPF. The Company's unpaid or unclaimed interim and final dividend for F.Y. 2004-05 has also been transferred to the IEPF. Members who have not encashed their final dividend warrants for the F.Y 2005-06 or thereafter are requested to write to the Company's Registrar and Share Transfer Agent.

7. Members are requested to intimate the Registrar and Share Transfer Agent of the Company – Karvy Computershare Pvt. Ltd., Plot No.17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialised form.

8. Members desirous of having any information regarding Accounts are requested to address their queries to the Chief Financial Officer at the Registered Office of the Company at least seven days before the date of the meeting, so that the requisite information can be made available at the meeting.

9. All the documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at JSW Centre, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 on all working days of the Company, between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

10. Members holding share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant share certificates to the Registrar and Share Transfer Agents of the Company.

11. Members / Proxies are requested to bring the attendance slip duly filled in.

12. Copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT:

The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 for item numbers 8 to 13 of the accompanying notice is as under:

Item No. 8

Mrs. Punita Kumar Sinha was appointed by the Board of Directors at its meeting held on 28.10.2012 as an Additional Director of your Company w.e.f. 28.10.2012 pursuant to Section 260 of the Companies Act, 1956 and in terms of Article 123 of the Articles of Association of your Company. She holds office upto the date of the ensuing Annual General Meeting.

Your Company has received a notice under Section 257 of the Companies Act, 1956 from a shareholder of your Company, signifying his intention to propose the name of Mrs. Punita Kumar Sinha for appointment as a Director of your Company.

Mrs. Punita Kumar Sinha is the Founder and Managing Partner, of Pacific Paradigm Advisors, an independent investment advisory and management firm. Prior to founding Pacific Paradigm Advisors in 2012, she was Senior Managing Director of Blackstone Group, leading Blackstone Asia Advisors as the business unit head and Chief Investment Officer. She was also the Senior Portfolio Manager for The India Fund (NYSE:IFN), the largest Indian Fund in the US for almost 15 years and The Asia Tigers Fund (NYSE:GRR), and The Asia Opportunities Fund L.P. She has more than twenty years of experience in fund management in international and emerging markets.

Mrs. Sinha has been frequently featured in the media, including: The Financial Times, The New York Times, The Wall Street Journal, Barron's, Forbes, CNN, CNBC, Fox News, Star News, Bloomberg, ET Now and The Economic Times. Many of her contributions at seminars and conferences have projected the potential and prospects of India as an investment destination.

Mrs. Sinha has a Ph.D. and a Masters in Finance from the Wharton School, University of Pennsylvania. She received her undergraduate degree in chemical engineering with distinction from the Indian Institute of Technology, New Delhi. She also has an MBA and is also a CFA Charter holder. She is a member of the Boston Security Analysts Society and the Council on Foreign Relations. She is a Charter Member and Board Member of TIE-Boston.

In view of her rich and vast experience and distinguished career, the appointment of Mrs. Punita Kumar Sinha as a Director would be in the best interest of the Company.

None of the Directors other than Mrs. Punita Kumar Sinha is in any way concerned or interested in the resolution.

Your Directors recommend the resolution as at Item No. 8 for your approval.

Item No. 9

The Board of Directors of the Company at its meeting held on 28.10.2012 has appointed Mr. Parth Jindal as an 'Economic Analyst' in full time employment of the Company in the Strategy Cell at the level of Senior Manager.

Mr. Parth Jindal is the son of Mr. Sajjan Jindal, Chairman and Managing Director of the Company.

He is a Bachelor of Arts with Majors in Economics and Political Science from the Brown University, Providence, RI, USA. He has also studied Economics and Political Science with The School of Oriental and African Studies, London, UK and is also an International Baccalaureate in Economics, Physics and Mathematics (Higher Level) from the Sevenoaks School, Sevenoaks, UK. He has also worked on several live deals with Deutsche Bank, New York, as a Summer Analyst in its Financial Institutions Group, and as an intern with Eton Park Capital Management, London.

As Mr. Parth Jindal is a relative of Mr. Sajjan Jindal, Chairman and Managing Director of the Company, consent of the members is sought for his appointment as an 'Economic Analyst', pursuant to the provisions of Section 314(1) of the Companies Act, 1956 read with the Director's Relative (Office or Place of Profit) Rules, 2011. The said appointment would also be subject to the approval of the Central Government.

None of the Directors other than Mr. Sajjan Jindal is in any way concerned or interested in the resolution.

Your Directors recommend the resolution as at Item No. 9 for your approval.

Item No. 10

At the Sixteenth Annual General Meeting of the Company held on 29.06.2010, the members had pursuant to the provisions of Section 293(1)(d) of the Companies Act, 1956, authorised the Board of Directors of the Company to borrow from time to time, a sum of money (apart from temporary loans obtained from bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves, provided that, the sum or sums so borrowed and remaining outstanding at any time shall not exceed ₹ 25,000 crores (Rupees twenty five thousand crores only).

Taking into consideration the requirements of additional financial resources to meet the Company's capital expenditure programmes, including proposed investments in Indian and Overseas subsidiaries in pursuit of horizontal and vertical integration in steel business and its expansion and acquisition plans, the said limit of ₹ 25,000 crores (Rupees twenty five thousand crores only) in excess of the aggregate of the paid-up capital of the Company and its free reserves, is utilised to a considerable extent. It is therefore proposed to increase this limit from the existing ₹ 25,000 crores (Rupees twenty five thousand crores only) to ₹ 40,000 crores (Rupees forty thousand crores only) in excess of the aggregate of the paid-up capital of the Company and its free reserves. The resolution as at Item No. 10 is being proposed in view of the provisions contained in Section 293(1)(d) of the Companies Act, 1956.

None of the Directors is in anyway concerned or interested in the resolution.

Your Directors recommend the resolution as at Item No. 10 for your approval.

Item No. 11

Section 293(1)(a) of the Companies Act, 1956 provides inter-alia that the Board of Directors of a public company shall not, without the consent of such public company in General Meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the Company. The hypothecation/mortgage/ creation of charge for the borrowings, by the Company of its properties as and when undertaken, may be considered to be disposal of all or any part of the Company's undertakings and would attract the provisions of the said Section 293(1)(a) of the Companies Act, 1956.

Vide resolution passed by the Members of the Company in their Extra Ordinary General meeting held on 28.12.2007, the Board of Directors have been empowered to hypothecate/mortgage and/or charge in addition to the Hypothecations/Mortgages and/ or charges created by the Company, all or any part of the movable and/or immovable properties of the Company, wherever situated both present and future, and/or create a floating charge on all or any part of the immovable properties of the Company, to secure the borrowings of the Company, within the overall ceiling prescribed by the Members of the Company in terms of Section 293(1)(d) of the Companies Act,1956.

As the borrowing limits u/s 293(1)(d) is sought to be enhanced substantially vide Item No. 10 of this notice, it is proposed to seek fresh consent of the Members, to mortgage, create charges and or/hypothecate the Company's properties as and when necessary to secure any Rupee/Foreign currency Loans, Guarantee assistance, Standby Letter of Credit/Letter of Credit, and/or any issue of Non-Convertible Debentures, and/or Compulsorily or Optionally, Fully or Partly Convertible Debentures and/or Bonds, and/or any other non-convertible and/or partly/fully convertible instruments/securities, from time to time, within the overall ceiling prescribed by the Members of the Company, in terms of Section 293(1)(d) of the Companies Act,1956.

None of the Directors of your Company is in any way concerned or interested in the resolution.

Your Directors recommend the resolution as at item No. 11 for your approval.

Item Nos. 12 & 13

The Board of Directors of the Company at its meeting held on 26.07.2012 formulated the JSWSL Employees Stock Ownership Plan 2012 ("**ESOP Plan**", as amended from time to time) with an objective of achieving sustained growth of the Company and creation of shareholder value by aligning the interests of the employees with the long term interests of the Company. At the said meeting, the Board authorized an ESOP Committee to operate and administer the ESOP Plan under the policy and framework laid down by the Board. The ESOP Plan is being implemented through the JSW Steel Employees Welfare Trust **("Trust")** in respect of 49,97,493 equity shares of the Company to be transferred by the Trust to the employees upon exercise of their options. Out of the said 49,97,493 equity shares of the Company, options in respect of 49,36,940 equity shares have already been granted pursuant to the ESOP Plan.

The 49,97,493 equity shares forming part of the ESOP Plan have been acquired from the secondary market. Accordingly, no approval was obtained from the shareholders of the Company in respect of the ESOP Plan under Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 ("**the SEBI Guidelines**").

SEBI vide Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 read with Circular No. CIR/CFD/ DIL/7/2013 dated May 13, 2013 ("**SEBI Circulars**") has *inter-alia* provided that all employee benefit schemes involving securities of the Company shall not acquire shares of the Company from the secondary market.

SEBI has further clarified that employee benefit trusts which have already acquired securities of the company from secondary market before January 17, 2013, may continue to hold such securities provided that the schemes have been aligned with the SEBI Guidelines on or before December 31, 2013 and such securities are used only in accordance with such aligned schemes.

Since the equity shares forming part of the ESOP Plan have been acquired from the secondary market, it is necessary for the ESOP Plan to be aligned to the SEBI Guidelines to enable such equity shares to continue to be held and used for the purpose of the ESOP Plan. In order to achieve such alignment, one of the key requirements under the SEBI Guidelines is that the stock option plan must be approved by the shareholders of the Company. Upon approval / ratification by the shareholders of the Company pursuant to the resolutions proposed herein, the ESOP Plan shall stand aligned to the SEBI Guidelines as required under the SEBI Circulars. The ESOP Plan will be available for inspection at the Company's office at JSW Centre, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, between 10 a.m. to 1 p.m. on all working days of the Company upto the date of the Annual General Meeting.

The salient features of the ESOP Plan are as under:

a. **Total number of options to be granted:**

As set out above, options in respect of 49,36,940 equity shares have already been granted under the ESOP Plan. The balance 60,553 equity shares, in respect of which no options have been granted, will be disposed-off by the Trust in accordance with applicable law including the SEBI Circulars.

b. **Employees to whom options have been granted:**

Options under the ESOP Plan have been granted to permanent employees employed in Grades L8 (Jr. Manager) and above, employed by the Company and its Indian subsidiaries/associate entities. The grant of options to Whole-time Directors has been approved by the Remuneration Committee and the Board of Directors. However, options have not been granted to employees who are promoters or belong to the promoter group, or Directors who by themselves or their relatives or bodies corporate, directly or indirectly, hold more than 10% of the outstanding shares of the Company. As on date, details of the options already granted are as follows:

Type of Grant	Grant Date	Vesting Date	No. of options granted to eligible employees of the Company	No. of options granted to eligible employees of Subsidiary/ Associate entities	Total
			(A)	(B)	(A+B)
Initial Grant	26.07.2012	30.09.2013	31,35,744	1,02,530	32,38,274
1st Subsequent Grant	26.07.2012	30.09.2014	16,02,480	96,186	16,98,666
Total:			**47,38,224**	**1,98,716**	**49,36,940**

c. **Vesting and period of vesting:**

All options granted have a minimum vesting period of not less than one year in terms of the SEBI Guidelines.

d. **Maximum period within which the options shall be vested:**

The maximum period within which the options shall vest shall be 3 years from the date of grant or such other period as the Board/ESOP Committee may determine.

e. **Exercise price:**

The grant price of the shares under the ESOP Plan is determined by the ESOP Committee at its sole discretion.

f. **Exercise period and process of exercise:**

The options shall be valid and exercisable for such period as may be determined by the ESOP Committee from time to time but would not exceed the closing date of the ESOP Plan which is September 30, 2017. However, in case of resignation, death or retirement, etc., of the employees, the exercise period shall be as laid down in the ESOP Plan.

Options granted under the ESOP Plan are exercisable by delivery of an Exercise Notice, which shall state the election to exercise the option, the number of equity shares in respect of which the option is being exercised (the "**Exercised Equity Shares**"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the ESOP Plan. The Exercise Notice shall be accompanied by payment of the aggregate Exercise Price as to all Exercised Equity Shares. No equity shares shall be transferred pursuant to the exercise of the options unless such exercise and transfer complies with applicable laws.

The ESOP Plan also provides for cashless exercise of options. For the purpose of implementing the 'Cashless Exercise', the ESOP Committee shall be entitled to specify such procedures and/or mechanisms for exercise of the options as may be necessary and the same shall be binding on the grantee.

Equity shares in respect of options which are not exercised by the option grantees shall be disposed off in accordance with applicable law after the closing date of the plan i.e., after September 30, 2017.

g. **Appraisal process for determining the eligibility of employees to the ESOP:**

All eligible employees have been granted options by the ESOP Committee on the basis of any or all of the following criteria:

a) Level, role and performance of the employee;

b) Tenure in organization;

c) Such other factors as may be determined by the ESOP Committee.

h. **Maximum number of options to be issued per employee and in aggregate:**

The maximum number of options granted to an individual employee in a year does not exceed 1% of the total number of shares under the ESOP Plan.

i. The Company shall value the options granted under the ESOP Plan, at their 'Fair value' or 'Intrinsic value' as defined by SEBI Guidelines.

j. The ESOP Committee shall be authorized to determine the amount of withholding, deduction or recovery, if any, of such tax from the employee and also the modalities for recovery.

k. The trustees of the Trust are authorized to make suitable amendments to the existing JSW Employees Welfare Trust Deed and its Rules as may be applicable to give effect to these Special Resolutions.

l. In the event that the Company calculates the employee compensation cost using the intrinsic value of the Equity Share, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the share shall be disclosed in the Directors' Report and also impact of this difference on profits and on EPS of the Company, if applicable shall also be disclosed in the Directors' Report.

m. In the context of the above, the Company shall conform to the accounting policies specified by SEBI as per the SEBI Guidelines as amended from time to time, as applicable.

Mr. Seshagiri Rao M.V.S., Dr. Vinod Nowal and Mr. Jayant Acharya may be deemed to be interested in this item of business to the extent of options granted to them. None of the other Directors of the Company are in any way concerned or interested in the resolutions.

Your Directors recommend the resolutions as at Item Nos. 12 and 13 for your approval.

By Order of the Board
For **JSW STEEL LIMITED**

Place : Mumbai
Date: May 23, 2013

Lancy Varghese
Company Secretary

Important Communication to Members

In an effort to make the earth a better place to live, the green movement has been sweeping over the globe. Not only are individuals doing things to help the environment, Companies and governments are as well. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode and has issued a Circular bearing No.17/2011 dated April 21, 2011 stating that service of documents by a Company to its Members can be made through electronic mode. The move of the Ministry allows public at large to contribute to the green movement. To support this green initiative of the Government in full measure, Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill in the Registration form provided in this Annual Report and register the same with Karvy Computershare Private Limited.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING
[Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges]

Name of the Director	Mr. Anthony Paul Pedder	Mr. Uday M. Chitale	Dr. Vijay Kelkar	Mrs. Punita Kumar Sinha
Date of Birth	28.06.1949	20.10.1949	05.05.1942	13.05.1962
Date of Appointment	18.04.2005	20.10.2005	20.01.2010	28.10.2012
Expertise in specific functional area	Mr. Pedder's working life has been in the metals industry. He has spent over 30 years in a wide range of roles with British Steel/Corus plc, managing all areas of the company's activities during his career, including periods in charge of the Group's: • Procurement, which covered among other things, all raw materials, alloys and metals for carbon and stainless steelmaking, shipping, transport and logistics. • Commercial, which included responsibility for the company's global distribution network and its building products business. • Production areas, including flat products, long products and special and stainless steel products. He retired from the position of Chief Executive of that company in 2003. He retains an active involvement in the industry today as Chairman of Sheffield Forgemasters Ltd, Chairman of Hatch Corporate Finance Ltd and as Director of Metalysis Ltd. He is also a Director of a number of other organizations, including Sheffield University, where he is a pro-chancellor.	He is presently Senior Partner of M/s. M.P. Chitale & Co., Chartered Accountants, with offices at Mumbai and Pune and affiliated offices throughout India and other parts of the world as a part of global association of independent accounting firms and business advisers, DFK International. He has extensive experience of Corporate Auditing, Business Advisory Services, Commercial Dispute Resolution, Business Negotiations and Valuation. He has undertaken specialized training in Commercial Mediation from Centre for Effective Dispute Resolution (CEDR), UK at the International Summer School, Geneva (September 2000) and is an accredited CEDR Mediator. He is also on the panel of Arbitrators of Leading Institutions in India and abroad and on the panel of resource persons of the Hon'ble Bombay High Court for implementing the scheme of court annexed ADR. He has served various Expert Committees set up by organisations such as ICAI, SEBI, RBI, IRDA and IBA. He has also published several articles in leading Financial Dailies and Professional Journals. He has also conducted corporate workshops on ADR in India and abroad (Canada, Taiwan & Indonesia) and also given talks and contributed papers in several professional seminars and conferences in India and abroad. His past Directorship includes ICICI Bank Ltd., United Western Bank Ltd., Finolex Industries Ltd., NCDEX, etc.	Dr. Vijay Kelkar, recipient of the prestigious "Padma Vibhushan" award for his exemplary service to the Nation, has held key posts in the Government of India including as Advisor to the Minister of Finance, Finance Secretary, Secretary of Ministry of Petroleum & Natural Gas, and the most recent as Chairman 13th Finance Commission, India, in the rank of a Union Cabinet Minister. He has also served on several Government Task Forces including as Chairman Tariff Commission, Chairman of the Committee for Implementation of the Fiscal Responsibility and Budget Management Act. He was also the Chairman of the National Stock Exchange of India Limited (NSE). He has also represented the Government of India on Global Forums as Executive Director for India, Sri Lanka, Bangladesh and Bhutan at the International Monetary Fund, Washington D.C., USA and as Director at the United Nations Conference on Trade and Development. He is the present Chairman (Elect), Forum of Federations, Ottawa, Canada (from January, 2010).	She is the Founder and Managing Partner, Pacific Paradigm Advisors, an independent investment advisory and management firm. Prior to founding Pacific Paradigm Advisors in 2012, she was Senior Managing Director of Blackstone Group, leading Blackstone Asia Advisors as the business unit head and Chief Investment Officer. She was also the Senior Portfolio Manager for The India Fund (NYSE:IFN), the largest Indian Fund in the US for almost 15 years and The Asia Tigers Fund (NYSE:GRR), and The Asia Opportunities Fund L.P. She has more than twenty years of experience in fund management in international and emerging markets. She has been frequently featured in the media, including: The Financial Times, The New York Times, The Wall Street Journal, Barron's, Forbes, CNN, CNBC, Fox News, Star News, Bloomberg, ET Now and The Economic Times. Many of her contributions at seminars and conferences have projected the potential and prospects of India as an investment destination. She is a member of the Boston Security Analysts Society and the Council on Foreign Relations. She is a Charter Member and Board Member of TIE-Boston.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges] (Contd.)

Name of the Director	Mr. Anthony Paul Pedder	Mr. Uday M. Chitale	Dr. Vijay Kelkar	Mrs. Punita Kumar Sinha
Qualification	B.Sc (Maths), M.Sc (Operation Research and Management Studies)	B. Com, ACA	B.S., M.S. and Ph.D	Ph.D., Masters in Finance, Undergraduate degree in chemical engineering, MBA, CFA Charter holder.
Directorship in other Indian Public Limited Companies as on 31.03.2013	Nil	• Axis Mutual Fund Trustee Ltd. • Electronica Plastic Machines Ltd. • GMR Vemagiri Power Generation Ltd. • ICICI Securities Primary Dealership Ltd. • ICICI Securities Ltd. • ICICI Prudential Pension Fund Management Co. Ltd.	• Britania Industries Ltd. • Go Airlines Ltd. • Green Infra Ltd. • JM Financial Ltd. • Lupin Ltd. • Tata Chemicals Ltd. • Tata Consultancy Services Ltd.	Nil
Chairman/ Membership of Committees in other Indian Public Limited Companies as on 31.03.2013* (C = Chairman; M = Member) ▪	N.A.	**Audit Committee** • ICICI Securities Primary Dealership Ltd. (C) • ICICI Securities Ltd. (C) • Axis Mutual Fund Trustee Ltd. (M) • Electronica Plastic Machines Ltd. (M) • GMR Vemagiri Power Generation Ltd. (M) **Shareholders/ Investors Grievance Committee** • Electronica Plastic Machines Ltd. (M)	**Audit Committee** • JM Financial Ltd. (M) • Tata Consultancy Services Ltd. (M) **Shareholders/ Investors Grievance Committee** • Lupin Ltd. (C) • JM Financial Ltd. (M)	N.A.
No. of Shares held in the Company as on 31.03.2013	-	-	-	-

*only two Committees namely, Audit Committee, Shareholders/Investors Grievance Committee have been considered.

DIRECTORS' REPORT

To the Members of JSW STEEL LIMITED,

Your Directors take pleasure in presenting the Nineteenth Annual Report of your Company, together with the Standalone and Consolidated Audited Statement of Financial Accounts for the year ended March 31, 2013.

1. FINANCIAL RESULTS

(₹ in crores)

Particulars	Standalone		Consolidated	
	FY 2012-13	FY 2011-12	FY 2012-13	FY 2011-12
Gross Turnover	**38,763.41**	**34,658.48**	**41,463.15**	**36,719.83**
Less : Excise duty	3,375.78	2,598.01	3,368.19	2,596.18
Net Turnover	**35,387.63**	**32,060.47**	**38,094.96**	**34,123.65**
Add: Other Operating Revenues	104.18	62.19	114.69	244.40
Revenue from Operations	**35,491.81**	**32,122.66**	**38,209.65**	**34,368.05**
Operating EBIDTA	**6,308.82**	**5,630.80**	**6,503.92**	**6,101.89**
Add: Other income	260.88	179.30	69.73	76.85
Less: Finance costs	1,724.48	1,186.41	1,967.46	1,427.30
Less: Depreciation and amortisation	1,973.89	1,708.17	2,237.48	1,933.15
Profit before Exceptional items and tax	**2,871.33**	**2,915.52**	**2,368.71**	**2,818.29**
Less: Exceptional items	(367.21)	(820.96)	(369.37)	(824.94)
Profit before taxation (PBT)	**2,504.12**	**2,094.56**	**1,999.34**	**1,993.35**
Less: Tax expense	702.90	468.70	845.25	500.15
Profit after taxation, but before minority interests and share of profits/loss of Associates	**1,801.22**	**1,625.86**	**1,154.09**	**1,493.20**
Less: Share of profit / (losses) of minority	-	-	(34.34)	18.92
Add: Share of (losses) / profit from Associates (Net):				
Excluding exceptional items	-	-	(164.52)	(226.21)
Exceptional items	-	-	(60.80)	(710.39)
Profit After Tax (PAT)	**1,801.22**	**1,625.86**	**963.11**	**537.68**
Add: Profit brought forward from previous year	1,987.30	2,788.36	9.34	1,899.35
Amount available for appropriation	**3,788.52**	**4,414.22**	**972.45**	**2,437.03**
Less: Appropriations:				
Transfer from/to Debenture Redemption Reserve	(7.82)	125.00	(7.82)	125.00
Dividend on Preference Shares	(27.90)	(27.90)	(27.90)	(27.90)
Proposed final Dividend on Equity Shares	(223.12)	(167.34)	(223.12)	(167.34)
Corporate Dividend Tax	(42.66)	(31.68)	(42.66)	(31.68)
Transfer to General Reserve	(181.00)	(2,325.00)	(181.00)	(2,325.77)
Closing Balance	**3,306.02**	**1,987.30**	**489.95**	**9.34**

2. FINANCIAL HIGHLIGHTS

(A) Standalone Results

The Company produced 8.52 million tonnes of crude steel in FY 2012-13, up 15% over the previous year. Its steel sales grew to 8.87 million tonnes, increased by 14% year on year. The Company took several initiatives during the last financial year viz; 2nd phase of Beneficiation plant, augmented in-bound and out-bound logistics infrastructure to enhance flexibility in utilisation of inputs and despatch of finished products, commissioning of 4th Stove of BF 3 and enhanced product portfolio by completing 2nd phase of HSM II, increased capacities of Colour coated products at Vasind and Tarapur Works and also achieved increased sales volumes through its retail outlets 'JSW Shoppe'. These initiatives helped in achieving impressive growth of volume production and sales.

The Gross Turnover and Net Turnover for the year under review was ₹ 38,763 crores and ₹ 35,388 crores respectively, showed a growth of 12% and 10% respectively. The Operating EBITDA was ₹ 6,309 crores, showed a growth of 12% with an improvement in EBIDTA margins to 17.8%. The net profit after tax was ₹ 1,801 crores showing a growth of 11%, after considering exceptional loss of ₹ 367 crores, due to the significant movement and volatility in the value of the rupee against US dollar.

The net worth of your Company increased to ₹ 19,937 crores as on March 31, 2013, from ₹ 18,497 crores as on March 31, 2012. The Company's net debt gearing was at 0.82 (compared to 0.69, as on March 31, 2012) and net debt to EBIDTA was at 2.59 (compared to 2.27, as on March 31, 2012).

(B) Consolidated Results

The consolidated Gross Turnover and consolidated Net Turnover for the year under review was ₹41,463 crores and ₹ 38,095 crores respectively, showed a growth of 13% and 12% respectively. For FY 2012-13, the consolidated Operating EBITDA was ₹ 6,504 crores, showed a growth of 7%. The net profit after tax for Consolidated Company was ₹ 963 crores growth of 79%, after considering exceptional loss of ₹ 369 crores, due to the significant movement and volatility in the value of the rupee against US dollar.

The consolidated net worth of your Company increased to ₹ 17,541 crores as on March 31, 2013, from ₹ 16,967 crores as on March 31, 2012. The Company's net debt gearing was at 1.11 (compared to 0.98, as on March 31, 2012) and net debt to EBIDTA was at 3.00 (compared to 2.73, as on March 31, 2012).

In accordance with the Accounting Standards AS-21, on Consolidated Financial Statements, read with Accounting Standard AS-23 on Accounting for Investment in Associates and AS-27 on Financial Reporting of Investment in Joint Ventures, the audited Consolidated Financial Statements are provided in the Annual Report.

3. DIVIDEND

The Board has, subject to the approval of the Members at the ensuing Annual General Meeting, recommended dividend at the stipulated rate of ₹ 1.00 per share on 10% Cumulative Redeemable Preference Shares of ₹ 10 each of the Company, for the year ended March 31, 2013.

Considering the Company's performance and financial position for the year under review, the Board has also recommended a dividend of ₹ 10 (100%) per fully paid-up Equity Share of ₹ 10 each of the Company, for the year ended March 31, 2013, subject to the approval of the Members at the ensuing Annual General Meeting.

Together with Corporate Tax on dividend, the total outflow, on account of equity dividend, will be ₹ 261.04 crores, vis-à-vis ₹ 194.49 crores paid for fiscal 2011-12.

On the Scheme referred to in Para 4 of this report, becoming effective, and if equity shares pursuant to the Scheme are allotted to the shareholders of JSW ISPAT Steel Limited before the record date, then equity dividend of ₹ 10 per share will also be payable on these shares, as per Clause 12.1.6. of the Scheme and there would be an additional cash outflow of ₹ 21.77 crores including Corporate Tax on Dividend.

4. SCHEME OF AMALGAMATION

Your Directors in their meeting held on September 1, 2012, have considered and approved a 'Composite Scheme of Arrangement and Amalgamation' under Sections 391-394 of the Companies Act, 1956 (the "Scheme") amongst the Company, JSW ISPAT Steel Limited ("JSW ISPAT"), JSW Building Systems Ltd. ("JSW Building"), JSW Steel Coated Products Limited ("JSW Steel Coated") (formerly known as Maharashtra Sponge Iron Ltd.) and their respective shareholders and creditors relating to the following matters (to be effected in the sequence set forth herein below), with 1 July 2012 being the appointed date:

(a) Transfer of the 'Kalmeshwar' undertaking of JSW ISPAT to JSW Steel Coated (an indirect wholly owned subsidiary of the Company).

(b) Transfer of the 'Vasind' and 'Tarapur' undertaking of the Company to JSW Steel Coated.

(c) Amalgamation of JSW Building (a wholly owned subsidiary of the Company) with the Company.

(d) Amalgamation of Residual JSW ISPAT with the Company, pursuant to which the shareholders of JSW ISPAT will be entitled to shares of the Company as under:

    (i) The equity shareholders of JSW ISPAT will be entitled to 1 (One) fully paid-up equity share of face value ₹ 10/- (Rupees Ten Only) each of the Company for every 72 (Seventy Two) fully paid up equity shares of ₹ 10/- (Rupees Ten Only) each of JSW ISPAT held by them ("Share Exchange Ratio"); and

    (ii) The preference shareholders of JSW ISPAT will be entitled to 1 (One) fully paid up non-convertible cumulative redeemable preference share of face value ₹ 10/- (Rupees Ten Only) each of the Company for every 1 (One) fully paid up non-convertible cumulative redeemable preference share of face value ₹ 10/- (Rupees Ten Only) each of JSW ISPAT held by them.

Following implementation of the Scheme and the issue of shares as above, your Company's aggregate equity capital would stand increased from ₹ 223,11,72,000 to ₹ 241,72,20,440 consisting of 24,17,22,044 equity shares of ₹ 10 each, subject to minor changes, if any, upon rounding off of fractional entitlements. Besides, your Company's aggregate preference capital would stand increased from ₹ 279,03,49,070 to ₹ 764,44,95,110 comprising of 27,90,34,907 - 10% cumulative redeemable preference shares of ₹ 10/- each and 48,54,14,604 - 0.01% non-convertible cumulative redeemable preference shares of ₹10/- each, subject to minor changes, if any, upon rounding off of fractional entitlements.

The Company's shareholding in JSW ISPAT will stand cancelled under the Scheme. Upon allotment of the new shares, the shareholding of JFE Steel International Europe B.V, the affiliate of the Company's Foreign Collaborator, JFE Steel Corporation, Japan will stand diluted to 14.92% of the equity share capital of the Company from 16.17%.

The said Scheme has been approved by the requisite majority of shareholders on January 30, 2013 and the Competition Commission of India (CCI) and has the No-objection of the National Stock Exchange of India Limited and that of BSE Limited. On May 3, 2013 the Bombay High Court sanctioned the said Scheme with effect from July 1, 2012, being the appointed date. The certified copy of the Court Order is awaited, on receipt of which the Company will initiate requisite formalities to give effect to the Scheme. Accordingly, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

5. PROSPECTS

Indian economy witnessed one of its most challenging times during FY'13 with high inflation, elevated interest rates, low industrial production, depreciating Indian Rupee which adversely affected its external trade resulting in skewed trade and fiscal deficits and subdued economic growth estimated at 5%. Country's under performance was partly due to the muted and uneven Global economic recovery in 2012 with World GDP slowing down to 3.2%.

Outlook for Global economy is expected to progressively improve with more accommodative monetary policies, improving fiscal stability and assuming absence of any adverse events resulting in a gradual restoration of confidence during 2013 through 2014. In accordance, IMF has projected World GDP to grow at 3.3% during 2013 and increasing to 4% in 2014. Positive influence of Global economy coupled with gaining prospects for proactive Reformatory Policy measures is expected to help Indian economy recover with an estimated growth of 6-6.5% during FY'14. Current account deficit is expected to witness a further reduction under a modest recovery of exports, improved inflows & remittances assuming stability in Oil / Gold import basket.

Global Steel sector witnessed a destocking during C.Y. 2012 influenced by growing economic uncertainties coupled with a soft lending for Chinese economy – resulting in a marginal growth of 1.2% each for Global steel production as well as demand. During FY'13, Indian crude steel capacity increased by production increased by 5.4% to 78 million tonnes while domestic demand saw a growth of 3.3% to 73 million tonne. The demand was majorly affected by underperforming investment growing @ 1.7%, depressed industrial growth at 1%, decelerating auto production growing at 2% and Rupee witnessing a sharp depreciation of 14% putting further pressure on margins.

World steel demand is projected to witness an increment of 41 million tonnes moderately up by 2.9% to 1454 million tonnes in C.Y. 2013 with China expected to grow by 3.5% to 669 million tonnes – contributing 46% to World steel demand. However, the large "Effective Surplus" capacity of approximately 350 million tonne coupled with almost stagnant domestic demand projected for major exporting economies including Japan, Korea, Russia and Ukraine remains a major challenge for a sustainable growth of Global steel industry.

In expectation of a normal monsoon, the growing income of farm sector is expected to translate into rising consumption. Further, accelerated approach to reformatory policy initiatives with reducing subsidies, expanding FDI limits in Multiple-brand retail, Insurance, Banking etc., proactive role of Cabinet Committee for Investment for timely clearances of projects coupled with improving industrial production and growing focus on Infrastructure development is expected to witness a more sustainable economic development and growth with a moderate inflation and declining deficits. At the back of a modest economic recovery Indian Steel industry remains optimistically cautious with demand expected to complement the country's economic performance in FY'14. However, surging imports at incentivized duty rates under the Free Trade Agreements with Korea and Japan coupled with depreciating Indian Rupee remain major challenges for the Indian steel industry.

6. PROJECTS AND EXPANSION PLANS

I. Projects commissioned during FY 2012-13

1. Vijayanagar Works

- Revamped Corex 2 with added feature of Aerial Gas Distribution system (AGD) to increase its capacity from 0.80 MTPA to 0.85 MTPA.
- Enhanced the hot metal capacity in Blast Furnace II from current 1.3 MTPA to 1.4 MTPA by distributing feed burden better and replacing top charging system with improved design.
- Enhanced capacity of HSM II by 1.5 MTPA from 3.5 MTPA to 5 MTPA.
- Completed second phase of Beneficiation Plant, taking the capacity to 20 MTPA.
- Commenced dry quenching of coke from the CDQ project commissioned by JSW Projects Ltd.
- Commissioned 60 tonnes per hour (tph) Blast Furnace gas-fired boiler to minimise flaring of gases from furnaces.

2. Salem Works

- Commissioned 75 tph coke drying unit to reduce coke moisture, leading to substantial savings.

3. Vasind/Tarapur Works

- Enhanced capacity of colour coating line at Tarapur from 0.232 MTPA to 0.276 MTPA.
- Commissioned state-of-the-art new colour coating line with capacity of 0.15 MTPA at Vasind.
- Commissioned a new 300 KL per day capacity effluent treatment plant.

The benefits on commissioning these projects during FY 2012-13 are expected to accrue during FY 2013-14.

II. Projects under Implementation

1) Capacity Enhancement Projects

Vijayanagar Works

a) Revamping and enhancing capacity of Corex-1 from 0.80 MTPA to 0.85 MTPA.

b) Augmenting casting capacity at steel melting shop No. 1 by adding 1,600 mm wide caster.

c) Augmenting secondary steel melting capacity by adding one ladle heating furnace.

d) Installing Nodulizer for better granulometry of low-grade iron ore in Sinter Plant No. 1, 2 and 3.

e) Increasing the capacity of Blast Furnace-I from 0.9 MTPA to 1.8 MTPA.

f) Expected commissioning 0.2 MTPA non-grain oriented electrical steel project in FY 2014-15.

Salem Works

a) Installation of Kocks block for reducing and sizing block capacity and quality of bar and rod mill.

b) Automatic inspection line for Blooming Mill, de-bundling, de-barring and second straightener.

Vasind/Tarapur Works

a) Appliance grade Colour Coating Line with a capacity of 0.075 MTPA at Vasind

b) New Galvanising Line with dual pot of Galvalume cum Galvanising line with capacity of 0.2 MTPA at Tarapur.

c) Upgradation of Cold Rolling Mill TM – I & II at Tarapur.

2) Efficiency, Productivity improvement and Cost reduction Initiatives

Vijaynagar Works

a) Installed waste heat recovery system at Sinter Plant 2, 3 and 4.

b) Installed waste heat recovery system at Blast Furnace 4.

c) Utilised surplus gases within the plant to generate power and to achieve zero flaring of gases.

d) Used BOF sludge and fine dust fumes for micro pellet plant.

e) Used mill scale generated from various mills for mill scale briquetting.

f) Installed burner system in existing CPP 3 and 4 boiler for increasing the utilisation of waste gas.

Salem Works

a) Installed 32 tph waste heat recovery boiler.

b) Commissioned new wagon tippler to reduce demurrage and handling loss.

Vasind/Tarapur Works

a) Converted LPG heating system to natural gas system.

b) Commissioned railway siding at Vasind to achieve 100% inward rail movement.

3) Other Projects

Vijayanagar Works

CRM II 1st phase, comprising 2.30 MTPA of pickling line, and Tandem Cold Rolling Mill (PLTCM), Continuous Annealing Line (CAL) of 0.95 MTPA and Continuous Galvanising Line (CGL) of 0.4 MTPA, is scheduled to be commissioned in the third quarter of 2013. Moreover, in Phase II, the second CAL line is expected to be commissioned by December 31, 2014.

The Company is also setting up a new melting shop with 1.5 MTPA capacity, comprising Electric Arc Furnace with a 1.5 MTPA billet caster. This new melting shop, along with a new Bar Mill with a capacity of 1.2 MTPA, is scheduled to be commissioned in FY 2014-15. This project will enable the Company to produce 10 MTPA finished steel at Vijayanagar works.

7. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

In the context of globalising Indian economy and the increase in the number of subsidiaries, the Ministry of Corporate Affairs, vide its General Circular No. 2/2011 dated 08.02.2011 has granted General Exemption to all companies from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies to the Balance Sheet of the Company as required under Section 212(1) of the Companies Act, 1956, subject to fulfilment of certain standard conditions generally prescribed while giving specific approvals. The Company will make available these documents/details upon request by any member or investor of the Company/subsidiary companies. Further, the Annual Accounts of the subsidiary companies will be kept open for inspection by any investor at the registered office of the Company and also that of the subsidiary companies.

Details of major Subsidiaries, Joint Venture and Associate Companies are given below:

A. Indian subsidiaries

1. JSW Bengal Steel Limited (JSW Bengal), its subsidiaries Barbil Beneficiation Company Limited, JSW Natural Resources India Limited and JSW Energy (Bengal) Limited (JSWEBL)

JSW Bengal progressed significantly towards setting up an integrated 10 MTPA-capacity steel plant at Salboni, Paschim Medinipur District, West Bengal, in phases (Project). As against the proposed first phase, approval has been received from Ministry of Environment & Forest (MOEF) and Pollution Control Board, for setting up a 3 MTPA integrated steel plant and associated power plant. The first phase also includes development of 2.4 MTPA Kulti-Sitarampur coal blocks and 2.6 MTPA Ichapur coal block, through the Company's wholly owned subsidiaries.

2. JSW Jharkhand Steel Limited

JSW Jharkhand Steel Limited was incorporated to set up a steel plant in the State of Jharkhand. The company is pursuing various approvals/

clearances for raw material linkages, land acquisition, environmental clearances, among others, for this project.

3. **JSW Steel Processing Centres Limited (JSWSPCL)**

JSW Steel Processing Centres Limited (JSWSPCL) is a 100% subsidiary of the Company. JSWSPCL was set up as a Steel Service Centre, comprising of HR/CR Slitter and cut-to-length facility, with an annual slitting capacity of 6,50,000 tonnes. The Company processed 5,22,647 tonnes of steel during FY 2012-13, as compared to 4,99,218 tonnes in the previous year.

4. **Amba River Coke Limited (ARCL)**

The Company has acquired 100% holding in ARCL to set up 1 MTPA Coke oven to be supplied to JSW ISPAT Steel Limited (JISL) under long-term take or pay contract with return on equity of 25% to the Company. The Coke oven plant, is expected to be completed in two phases commencing from March 2014. It is also in the process of setup a 4 MTPA Pellet Plant which is expected to be commissioned in FY 2014-15.

5. **JSW Steel Coated Products Limited (JSW Steel Coated)**

JSW Steel Coated (formerly known as Maharashtra Sponge Iron Ltd.) was acquired by wholly owned subsidiary of the company during the year.

Upon the scheme referred to in para 4 of this report becoming effective, 'Kalmeshwar' undertaking of JSW ISPAT and 'Vasind' and 'Tarapur' undertaking of JSW Steel will be transferred to JSW Steel Coated Products Limited from the appointed date.

B. Overseas Subsidiaries

1. **JSW Steel (Netherlands) B.V. (JSW Netherlands)**

JSW Steel (Netherlands) B.V. is a holding Company for subsidiaries based in USA, UK, Chile and East Africa. It also has 49% equity holding of Georgia-based Geo Steel LLC, incorporated under the laws of Georgia. The Company also invested in the US in the plate and pipe mill and coal mining assets. Besides, it also invested in iron ore mining concessions in Chile and fixed assets at the UK through the following step-down subsidiaries.

(a) **JSW Steel Holding (USA) Inc. and its subsidiaries viz. JSW Steel (USA) Inc – Plate and Pipe Mill Operation and Periama Holdings LLC and its subsidiaries – West Virginia, USA-based Coal Mining Operation.**

Plate and pipe mill operation

During FY 2012-13, the US plate and pipe mill's performance continued to be impacted due to challenging economic environment in USA, resulting in lower capacity utilisation. For FY 2012-13, 339,165 net tonnes of plates and 84,874 net tones of pipes were produced with capacity utilisation of 35% and 15%, respectively.

During FY 2014, the US operations are expected to progress in terms of operational performance with enhanced capacity utilisation.

Coal mining operation

JSW Steel Holding (USA) Inc. has 100% equity interest in coal mining concessions and integrated rail and barge load out facility in West Virginia, USA.

While some of the mines are currently operational, statutory clearance/permits for other mines are in advanced stage of approval.

(b) **JSW Panama Holdings Corporation and Chilean subsidiaries, namely Inversiones Eurosh Limitada (IEL), Santa Fe Mining (SFM) and Santa Fe Puerto S.A (SFP)**

During FY 2012-13, contract mining activity with a capacity of 1 MTPA through dry process route was undertaken. The Company received 12 shipments of iron ore concentrate, aggregating to 0.94 million tonnes.

Work on establishing a wet beneficiation plant is currently being pursued and necessary statutory and environmental approvals are awaited.

(c) **JSW Steel East Africa Limited (JSWSEAL)**

JSWSEAL has rights to explore manganese ore in Coast Province, Kenya, under Memorandum of Understanding (MoU) with the Government of Kenya.

The Company has completed Phase-I exploration activities for identifying prospective area for manganese ore in Coast Province, Kenya. The Phase-I final report is under preparation, which will indicate the probable areas with the potential of manganese ore occurrence.

The Company is also identifying manganese-bearing areas outside Coastal Province to enhance its exploration portfolio in Kenya.

2. JSW Natural Resources Limited (JSWNRL) and its subsidiaries JSW Natural Resources Mozambique Lda (JSWNRML), JSW ADMS Carvao Lda

JSW Natural Resources Limited was incorporated in Mauritius to acquire coal assets/other assets relating to the steel business.

JSW Natural Resources Limited formed a wholly owned subsidiary – JSW Natural Resources Mozambique Lda in Mozambique – to acquire coal assets and engage in prospecting and exploring coal, iron ore and manganese ore.

JSW Natural Resources Mozambique Lda, along with its subsidiary JSW ADMS Carvão Lda, has a coal mining licences in Mutarara and Zumbo District of Tete Province. The Company has carried out general exploration activities for preliminary evaluation of the quantity and quality of coal in this area. It has also initiated activities, like pre-feasibility study, EIA report and others, which are necessary to apply for mining license.

A step-down subsidiary of JSW Natural Resources Limited, Mauritius, has been incorporated in Mali under the name of JSW Mali Resources SA. It aims to invest in and / or acquire iron ore assets in the country through Exploration Permits/Licenses.

C. Joint Venture Companies

1. Geo Steel LLC

Georgia-based Joint Venture, Geo Steel LLC, in which your Company holds 49% equity through JSW Steel (Netherlands) B.V., set up a steel rolling mill in Georgia, with a production capacity of 175,000 tonnes. Geo Steel produced 1,17,127 tonnes of rebars and 1,40,780 tonnes of billets during 2012-13. The net turnover was USD 73.42 million.

2. Rohne Coal Company Private Limited

Rohne Coal Company Pvt. Ltd. is a joint venture with three other partners. Forest clearance and mining lease proposals are being pursued with government authorities. Jharkhand State Pollution Control Board has accorded NOC for Consent to Establish. Prior approval by Ministry of Coal has been received for Mining Lease & Prospecting Lease.

3. MJSJ Coal Limited (MJSJ)

In terms of the Joint Venture Agreement to develop Utkal-A and Gopal Prasad (West) thermal coal block in Odisha, your Company, along with four other partners, agreed to participate in the 11% equity of MJSJ Coal Limited, Odisha.

The Government of India decided to allot 1522 acres of Gopal Prasad west area to MJSJ. Mahanadi Coalfields Limited, a Public Sector Company holds 60% of the Equity.

4. Gourangdih Coal Limited

Gourangdih Coal Ltd (GCL) is a 50:50 Joint Venture between JSW Steel Limited and Himachal EMTA Power Corporation Ltd (HEPL). It has been incorporated to develop and mine coal from West Bengal's Gourangdih, ABC thermal coal block. It is currently having pre-mining activities. A mining plan was submitted to the government authorities and is under consideration.

In November 2012, the Ministry of Coal, Government of India, issued de-allocation letter citing the recommendations of the Inter-Ministerial Group (IMG) of unsatisfactory progress, both in development of coal mine and implementation of end-use plants. The Ministry intimated its decision to de-allocate the Gourangdih ABC coal block in the state of West Bengal from the joint allocates, i.e. HEPL and JSW. It also aimed to forfeit 50% of Bank Guarantee amounting to ₹ 6.67 crores. Further, the co-allocates shall not be eligible for allocation of any alternative coal block in lieu of the de-allocated coal block.

Both the co-allocatees (HEPL and JSW Steel) have filed separate legal proceedings challenging the recommendation of the IMG. In the Writ Petition filed by JSW Steel before Delhi High Court, the High Court passed an interim order that if Ministry of Coal intends to encash the Bank Guarantee, three working days prior notice shall be given to JSW Steel. Himachal EMTA filed a separate Writ Petition before High Court of Himachal Pradesh and obtained stay of operation of the recommendation of IMG.

5. **Toshiba JSW Turbine and Generator Private Limited**

Toshiba JSW Turbine and Generator Private Limited is a Joint Venture with a shareholding of 75% by Toshiba Corporation Limited, Japan, 22.46% by JSW Energy Limited and 2.54% by the Company. This Joint Venture aims to design, manufacture, market and maintain services of mid to large-size supercritical steam turbines and generators of size 500 MW to 1,000 MW.

The Company has commenced the production activity for supply of 3 X 800 MW Supercritical Turbine and Generators sets for Kudgi Power plant, Karnataka and 2 X 660 MW Supercritical Turbine sets for Meja Power Project, Uttar Pradesh, under the orders recently received from National Thermal Power Corporation. The Company has decided to expand the Manufacturing facility to enhance annual production capacity from 3,000 MW to 6,000 MW and construction work for the same is under progress.

6. **Vijayanagar Minerals Private Limited (VMPL)**

According to the order of the Hon'ble Supreme Court to stop all mining operations in Bellary District in Karnataka, activities from Thimmappanagudi Iron Ore Mines (TIOM) operated by VMPL was halted since July 2011. VMPL operations and financial results were affected due to the above reasons during FY 2012-13. TIOM mines are classified under category A by the Central Empowered Committee (CEC).

7. **JSW Severfield Structures Limited and its subsidiary JSW Structural Metal Decking Limited**

JSW Severfield Structures Limited (JSSL) is operating a structural steelwork facility to design, fabricate and erect structural steelwork and ancillaries for construction projects with a total capacity of 35,000 TPA at Bellary, Karnataka. The Company has produced 36,067 tonnes during the year. Its order book stood at ₹ 228 crores (21,751 tonnes), as on March 31, 2013. The Company is implementing an expansion of its facility with estimated cost of ₹ 56 crores to increase the production capacity from 35,000 TPA to 55,000 TPA which to be commissioned in FY 2013-14.

JSW Structural Metal Decking Limited (JSWSMD), a subsidiary company of JSSL is engaged in the business of designing, roll forming and installation of structural metal decking and ancillaries. These include deals in shear connectors for construction projects, with a total plant capacity of 10,000 TPA at Bellary, Karnataka. The Company has orders of around 1,50,000 square meters, as on March 31, 2013.

8. **JSW MI Steel Service Center Private Limited (MISI JV)**

JSW Steel and Marubeni-Itochu Steel signed a Joint Venture Agreement on September 23, 2011, to set up Steel Service Centres in India.

The JV Company, JSW MI Steel Service Center Pvt. Ltd., proposes to set up its Steel Service Centres in North India (NCR) and in West India (Near Pune) with an initial installed capacity of 0.18 MTPA (Phase-I), which will subsequently be enhanced to 500,000 TPA. The project is estimated to be completed within 12 months from the date of land acquisition.

The Service Centres will be equipped to process flat steel products, such as hot rolled, cold rolled and coated products, to offer just-in-time solutions to the automotive, white goods, construction and other value-added segments.

D. Associate Companies

1. **Jindal Praxair Oxygen Company Private Limited (JPOCL)**

The oxygen plants of JPOCL have been working satisfactorily with the primary aim to meet the requirements of steel plant operations at Vijayanagar Works. During FY 2012-13, the production of the oxygen plant of JPOCL was as follows: gaseous oxygen – 887 million Nm^3; gaseous nitrogen – 302 million Nm^3; Liquid oxygen – 40 million Nm^3; Liquid nitrogen – 24 million Nm^3; and Argon – 11 million Nm^3.

2. **JSW Ispat Steel Limited (JISL)**

Revenue(net) from operations (standalone) for the financial year (9 months) ended 31st March 2013 was ₹ 8113 crores and EBIDTA was ₹ 737 crores . After providing for finance cost and depreciation and considering other income and exceptional items as well as deferred tax asset, net profit for the financial year was ₹ 86 crores , compared to net loss of ₹ 317 crores during the previous financial year (12 months) ended 30th June 2012.

Highest production of Hot Metal and Sinter was recorded during the period. Production of Hot Rolled Coils at Dolvi Unit was 1.95 MnT, registering a capacity utilisation of 79%.

The auditors of JISL have qualified recognition of net deferred tax assets of ₹ 2381 crores as at 31st March 2013. In view of various measures undertaken by JISL for enhancing operating efficiency, tie-up of reliable alternate sources of power and critical inputs, setting-up of crucial projects aimed at achieving raw material integration , major savings in input costs as well as future profitability projections and the envisaged Composite Scheme of Amalgamation and Arrangement, JISL is virtually certain that there would be sufficient taxable income in future , to claim the tax credit.

Company holds 46.75% stake in JISL as on March 31, 2013. Company has not considered deferred tax assets while recognizing its proportionate share of profit/ losses from JISL

8. CREDIT RATING

Your Company's credit rating for the long-term debt/facilities/NCDs is "AA" by Credit Analysis & Research Ltd. (CARE). CARE continues to rate the Company's short-term debt/facilities at the highest level of A1+.

With improvements in availability of iron ore and clarity on the impact of merger of JSW ISPAT Steel Limited, the rating has been removed from credit watch.

The rating continues to derive strength from your Company's significant presence in India's steel sector, proven management capability and well diversified mix of value-added and upstream products.

AA rating for long-term/medium-term debt/ facilities/NCDs indicates a high degree of safety regarding timely servicing of financial obligations and very low credit risk.

A1+ rating for short-term debt/facilities is the highest in the category and indicates a very strong degree of safety regarding timely payment of financial obligations and lowest credit risk.

9. FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public and is therefore not required to furnish information in respect of outstanding deposits under Non-banking, Non-financial Companies (Reserve Bank) Directions, 1966 and Companies (Acceptance of Deposits) Rules, 1975.

10. SHARE CAPITAL

There was no change in the Company's share capital during the financial year under review.

At the end of 2012-13, your Company's paid up equity share capital remained at ₹ 2,23,11,72,000 (comprising of 22,31,17,200 equity shares of ₹ 10 each).

11. TECHNICAL COLLABORATION WITH JFE STEEL CORPORATION, JAPAN

The Company signed a Strategic Collaboration Agreement with JFE Steel Corporation, Japan, in 2010. In line with this agreement, both companies entered into an agreement to collaborate in automotive steel manufacturing at Vijayanagar works.

Keeping in view its strategy to increase its portfolio of value-added products, the Company continued to collaborate with JFE in the field of electrical steel by signing various agreements in the month of November 2012.

Electrical Steel is a high-grade product, which has experienced scant development in India, as the technology required is largely inaccessible. Due to the technological constraints involved in the production of Electrical Steel, the market is significantly dependant on imports.

The Company plans to set up cold rolled non-grain oriented (CRNO) manufacturing facility of 0.6 MTPA capacity at its integrated steel works at Vijayanagar. The first phase of the facility shall produce 0.2 MTPA CRNO. To meet its target, the Company has already placed order for major equipment; these are expected to be commissioned by FY 2014-15.

12. IRON ORE STATUS

The Hon'ble Supreme Court of India cited environmental violations and banned mining iron ore in Karnataka's Bellary, Chitradurga and Tumkur districts. The apex court, on representation made by the steel industry in Karnataka, granted relief to the National Mineral Development Corporation (NMDC) in mining. It allowed it to mine 1 MnT iron ore per month and make the material available to steel companies through E-auction. It also permitted e-auction of 1.5 MnT of iron ore per month from the total stock pile of 25 MnT.

The E-auction process commenced on September 14, 2011. However, due to several procedural, logistics and pricing constraints, the steel companies could not get a regular supply of iron ore in adequate quantities.

The apex court, Central Empowered Committee (CEC), Monitoring Committee and State Government, took several steps to smoothen the process of E-Auction and ensure quick dispatch of auction material from time to time.

In September, 2012, the Hon'ble Supreme Court allowed resumption of mining operations in 18 Category 'A' mining leases, subject to compliance with all the statutory requirements. This resumption also helped satisfy the Monitoring Committee on implementation of Reclamation and Rehabilitation (R&R) plan. According to the Category 'B' mines requirements, such as compensatory payment, implementation of R&R Plans, payment of guarantee money based on estimates from each mines, reimbursement of 15% of the sale proceeds to fulfil the needs of the monitoring Committee and undertaking for payment of additional penalty are to be complied with prior to the resumption of mining in Category B mines.

Subsequently, on April 18, 2013, the Hon'ble Supreme Court of India allowed resumption of all mining operations in the remaining Category A mines. The apex court also allowed resumption of all mining operations in Category B mines, subject to compliance with the terms and conditions stipulated by CEC. While sale of sub-grade iron ore was allowed by the apex court, mining licences of all Category C mines were cancelled. A transparent bidding process for allotment of the said mines was ordered.

With this, the estimated quantity of iron ore that could be available for the industries from the fresh production reached around 20 MTPA for FY 2013-14 vis-à-vis demand of more than 30 MTPA. The shortfall is likely to be met by the sub-grade of iron ore, as may be cleared by the Hon'ble Supreme Court. The Department of Mines Geology has identified around 7 MnT of sub-grade iron ore in Bellary, which is likely to be put for sale in the coming months.

13. SEARCH AND SEIZURE OPERATIONS BY INCOME TAX AUTHORITIES

Further to the search and seizure operations by the Income-tax Authorities in March 2011, the Department issued Notice u/s 153A (a) of the Income Tax Act, 1961, dated October 24, 2011 for submission of Income Tax Returns u/s 153A (a) from Assessment Year 2005-06 to 2010-11 in pursuance of the search conducted u/s 132 of the Income Tax Act, 1961. The Company has filed return in response to notices and furnished details and explanations as required by authorities. Assessments have been completed for Assessment Year 2005-06 to 2007-08 and is in progress for remaining years.

14. FOREIGN CURRENCY CONVERTIBLE BONDS (FCCBS)

During FY 2007-2008, your Company had issued 3,250 Zero Coupon Foreign Currency Convertible Bonds (FCCBs) of USD 100,000 each, due on June 28, 2012 (ISIN XS0302937031) to international investors to part-finance the capital expenditure programme of the Company. These coupons aggregated to USD 325 million. Each bond was convertible into equity shares of the face value of ₹ 10 each of the Company at a conversion price of ₹ 953.40 per share, at any time on or after August 7, 2007, unless previously redeemed, converted or purchased and cancelled. The principal amount of FCCBs outstanding after conversion of eight bonds and repurchase and cancellation of 15.36% of the remaining outstanding FCCBs aggregating to USD 49.80 million was USD 274.40 million.

As per the terms of issue of the Zero Coupon Convertible Bonds, your Company has redeemed the FCCBs at 142.801% of the outstanding principal amount of USD 274.40 million. The Company has, thus fully discharged its obligation towards the holders of these FCCBs, by making payment aggregating to USD 391.85 million (inclusive of redemption premium) to the Principal Paying Agent, Citibank N.A., London, on 28.06.2012.

As a result of the above redemption, there has been no dilution in the Company's equity share capital, which would have otherwise occurred through the issue of 1,15,93,069 equity shares of

₹ 10 each, arising out of such conversion of the said FCCBs.

15. EXTERNAL COMMERCIAL BORROWING OF USD 275 MILLION (INCLUDING A GREEN SHOE OPTION OF USD 75 MILLION) WITH A CONVERTIBILITY OPTION

The Company had entered into an indicative, non-binding term sheet with an arranger for an external commercial borrowing (ECB) of USD 275 million, which included a green shoe option of USD 75 million.

The lenders of the ECB facility were to have an option to convert, in whole or in part, the outstanding ECB at a conversion price of ₹ 892.99 per share into fully paid equity shares of face value of ₹ 10 each, with full voting rights (Equity Shares) or into Global Depository Receipts (GDRs) with underlying Equity Shares subject to necessary approvals.

Since the necessary approval from the relevant regulatory authority was not received, your Company decided not to go ahead and the transaction stands withdrawn.

16. DIRECTORS

Mr. Anthony Paul Pedder, Mr. Uday M. Chitale and Dr. Vijay Kelkar, Directors, retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

Mrs. Punita Kumar Sinha who was appointed by the Board of Directors of your Company in its meeting held on October 28, 2012 as an Additional Director w.e.f. October 28, 2012 pursuant to Section 260 of the Companies Act, 1956 and in terms of Article 123 of your Company's Articles of Association holds office upto the date of the ensuing Annual General Meeting. Your Company has received a notice under Section 257 of the Companies Act, 1956 from a shareholder of your Company, signifying his intention to propose the name of Mrs. Punita Kumar Sinha for appointment as a Director of your Company.

The proposals regarding the appointment/ re-appointment of the aforesaid Directors are placed for your approval.

Other changes in the Board of Directors of your Company, during the year under review, are as follows:

Karnataka State Industrial Infrastructure and Development Corporation Limited (KSIIDC) nominated Dr. Sandeep Dave, IAS, as its nominee on your Company's Board in place of Dr. Rajneesh Goel, IAS, with effect from October 5, 2012. Subsequently, KSIIDC nominated Mr. P.B. Ramamurthy, IAS, as its nominee on your Company's Board in place of Dr. Sandeep Dave, IAS with effect from December 5, 2012.

JFE Steel Corporation nominated Mr. Hiromu Oka as its nominee on the Board of the Company, in place of Mr. Yasushi Kurokawa, with effect from May 23, 2013.

Dr. Vinod Nowal, Director & CEO has been re-designated as Dy. Managing Director with effect from May 23, 2013.

Your Directors place on record their deep appreciation of the valuable services rendered by Dr. Rajneesh Goel, Dr. Sandeep Dave and Mr. Yasushi Kurokawa during their tenure as Directors of the Company.

17. AUDITORS AND AUDITOR'S REPORT

M/s. Deloitte Haskins & Sells, Chartered Accountants, auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. They have expressed their willingness to continue as auditors of the Company, if appointed. They have further confirmed that the said appointment would be in conformity with the provisions of Section 224 (1B) of the Act.

Explanation to Auditor's Comment

- Auditors have, in their report for the year, drawn attention to note no. 26 (4), relating to the Scheme of Amalgamation and Arrangement sanctioned by the Hon'ble High Court of Judicature at Bombay on May 3, 2013. The certified copy of the Court Order is awaited. On receipt of the certified copy, the Company will initiate requisite formalities to implement the Scheme. Accordingly, therefore, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

  The above note, forming a part of the Accounts referred to in Auditors' Report of the Company, is self-explanatory and, therefore, does not call for any further explanation under Section 217 (3) of the Act.

- Auditors have, in their report, drawn attention to note no. 26(5) of accounts for the year, relating to the Company's assessment that no provision against the carrying amounts of its long-term strategic investment and loans extended to its subsidiary, JSW Steel (USA) Inc. of ₹ 3,155.65 crores is presently necessary.

According to the Board of Directors, considering recent independent valuation of the underlying fixed assets, review and assessment of business plans and expected future cash flows of JSW Steel (USA) Inc., the decline in carrying amounts of investment and loans is temporary and no provision is required.

18. PARTICULARS REGARDING CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, is given in the statement annexed (Annexure "A") hereto and forming a part of the report.

19. EMPLOYEE STOCK OPTION PLANS (ESOP):

The Board of Directors of your Company at its meeting held on 26.07.2012 formulated the JSWSL Employees Stock Ownership Plan 2012 ("ESOP Plan") with an objective of achieving sustained growth of the Company and creation of shareholder value by aligning the interests of the employees with the long term interests of the Company.

The ESOP Plan involving acquisition of Shares from the Secondary market was being implemented through the JSW Steel Employees Welfare Trust ("Trust"). 49,97,493 equity shares of the Company were acquired from the secondary market for transfer by the Trust to the employees upon exercise of their options. Out of these, options in respect of 49,36,940 equity shares (including employees of Indian Subsidiaries/ Associate Entities) have already been granted pursuant to the ESOP Plan.

SEBI vide Circular No. CIR/CFD/DIL/3/2013 dated January 17, 2013 made amendments to Equity Listing Agreement and the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("SEBI (ESOS and ESPS) Guidelines, 1999") which inter alia prohibits ESOP/ ESPS Schemes acquiring securities of the Company from the secondary market. In order to comply with the provisions of the Circular, the Company has taken the following steps:

- The options which have been granted under the ESOP Plan i.e. 49,36,940 shares shall vest as per the vesting schedule and the Trust shall continue to hold these shares till the options are exercised or until 30.09.2017.
- The shares for which options are not exercised by 30.09.2017 shall be disposed off and the net proceeds after taxes, if any, shall be used by the Trust to repay the loans to the Company and the surplus, if any, will be used for the benefits of the employees in accordance with the terms of Trust Deed and the Plan.
- The ESOP Plan has been terminated and accordingly no further grants under the Plan will be made.

  Information relating to the JSWSL Employees Stock Ownership Plan – 2012 is given in Annexure "B" to the Directors Report.

20. ENVIRONMENTAL INITIATIVES

The Company has undertaken various measures to address safety and environmental issues at its plant locations.

Vijayanagar

- Commissioned water recycle system at Gourd Pond–3 to reuse about 2,000 m3 of water per day.
- Commissioned coke dry quenching facilities in coke-3 to recover waste energy; the system also incorporates the modified coke bucket with cover to reduce coke emission during the coke quenching process.
- Commissioned five bag filters in the iron-making area to reduce fugitive dust during material transportation.
- Installed 12 bag filters in the lime calcinations area.
- Started water reuse from slime pond (approx 300m3/hr).
- Commissioned waste water treatment and recirculation scheme at Coke Oven.
- Recovers iron value in the iron ore slime by using a specially developed slime beneficiation technology..
- Installed 0.2 MTPA Mill Scale Briquetting plant and 0.6 MTPA Micro Pellet Plant for waste reuse.
- Commissioned waste heat recovery system at Blast Furnaces 3 and 4.

- Established environment control centre for environment data capture and information dissemination.

Salem

- Installed and commissioned fugitive dust collecting system of energy optimising furnace I and II and blast furnace – II of cast house to collect secondary emission and minimise atmospheric emission levels of suspended particulate matters (SPM) and respirable suspended particulate matters (RSPM).
- Provided windscreen around the plant periphery to control dusts.
- Recertified Environmental Management System (EMS) – ISO 14001: 2004 by the certification agency M/s Bureau Veritas Certification and valid till 22 July, 2016.
- Connected online ambient air quality monitoring station with air care centre of TNPCB.
- Tested the usage of EOF Slag in place of stones in dynamically loaded foundations.
- Minimised usage of and eliminated High TDS wastewater in CPP II by 100% utilisation of raw water as cooling water makeup.
- Incinerated used oil and oil chocked cotton waste in-house.
- Started and stabilised the use of EOF slag in place of iron ore as coolant at EOF.
- Utilised external waste, at 50 kgs / t in SP 1 and 20 kgs / t in SP 2 of iron oxide waste charging at Sinter plant.
- Used BF slag as ballast in the new railway siding.

Vasind and Tarapur

- Installed new ETP to cater to CCL effluents, along with existing effluent commissioned in February 2013; the quality of treated effluents is suitable for recycling them for CCL requirements.
- Installed multi-effect evaporator to achieve zero liquid discharge.
- Carried out rain water harvesting projects across the plant; collected rain water from all the sources and used to meet water requirement of the process (Saving of 5,000 KL water).
- Obtained consent to operate from Maharashtra Pollution Control Board (MPCB) for steel process and captive power generation, which were valid for three years; received consent to establish for the upcoming projects.

21. PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, is set out in the Annexure to the Directors Report. Having regard to the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report, excluding the aforesaid information, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary for a copy.

22. CERTIFICATION AND RECOGNITION

Your Directors have pleasure in informing you that all the Company's Vijayanagar townships, viz. Vidyanagar, Vijay Vittal Nagar and Shankargudda townships, have been accredited for quality, environment systems, safety and health systems in operations and maintenance of residential townships. The townships received the following certifications:

1) ISO 9001 : 2008
2) ISO 14001 : 2004 + Cor.1:2009
3) BS OHSAS 18001 : 2007

23. AWARDS AND ACCOLADES

Your Company and its employees received the following awards during the year under review:

1. Conferred the **Excellent Energy-efficient Unit** award by CII at the **13th National Award for Excellence in Energy Management 2012** on August 22 and 23, 2012 at HICC, Hyderabad.

2. Awarded the **CII-EXIM Bank Award for Business Excellence** in the category, Commendation Certificate for Significant Achievement towards Business Excellence, for JSW Steel, Vijayanagar Works on November 5, 2012, at Bangalore.

3. Conferred the **National Sustainability Award** on November 16, 2012, when the Company emerged as first among India's Integrated Steel Plants by Indian Institute of Metals.

4. Awarded in the Commendation Certificate in the Manufacturing Category of the **IMC Ramkrishna Bajaj National Quality Award 2012** by Indian Merchant Chambers on March 13, 2013.

5. **Ranked fourth** among the best 34 operating steel plants globally according to the **World Steel Dynamics, World Class Steelmakers Ranking,** on January 2013.

6. Emerged **first** in the Best Fuel-efficient Boiler Category 2012 (JSW Steel, Captive Power Plant -2. Toranagallu, Bellary) at the **State Level Safety Competition** on March 4, 2013, on the eve of 42nd National Safety Day Celebrations.

7. Received the **Businessworld – FICCI CSR recgonisation** for 2011-12 for commendable work in CSR.

24. CORPORATE GOVERNANCE

Your Company has complied with the requirements of Clause 49 of the Listing Agreement regarding Corporate Governance. A report on the Corporate Governance practices, the Auditors' Certificate on compliance of mandatory requirements thereof and Management Discussion and Analysis are given as annexures to this report.

25. BUSINESS RESPONSIBILITY/ SUSTAINABILITY REPORTING

Your Company is fundamentally committed to sustainable business and to the nine principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, it has been pursuing in spirit. It has also been reporting on GRI framework assured by third party independently on International Standards for Assurance Engagements (ISAE) 3000. The policies in the context of these principles, given on the Company's website, www.jsw.in, have been approved by the Board in its meeting held on 28.01.2013. A Committee of Board comprising of three Independent Directors and three Executive Directors are overseeing the same, quarterly. The Chief Sustainability Officer (CSO) structure implements the sustainability oversight reporting and Grievance Redressal Mechanism.

26. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, your Directors hereby state and confirm that:

(i) In the preparation of the annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures.

(ii) They have selected such accounting policies, applied them consistently and made judgements and estimates that are reasonable and prudent to give a true and fair view of the Company's state of affairs at the end of the financial year and of the Company's profit or loss for that period.

(iii) They have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, to safeguard the Company's assets and to prevent and detect fraud and other irregularities.

(iv) They have prepared the annual accounts on a going concern basis.

27. APPRECIATION

Your Directors take this opportunity to express their appreciation for the cooperation and assistance received from the Government of India, Republic of Chile, Kenya, Mauritius, Mozambique, Mali, USA and the UK; the state Governments of Karnataka, Maharashtra, Tamil Nadu, West Bengal and Jharkhand; the financial institutions, banks as well as the shareholders and debenture holders during the year under review. The Directors also wish to place on record their appreciation of the devoted and dedicated services rendered by all employees of the Company.

For and on behalf of the Board of Directors

Mumbai **Sajjan Jindal**
May 23, 2013 Chairman & Managing Director

ANNEXURE 'A' TO DIRECTORS' REPORT

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

A. ENERGY CONSERVATION

JSW Steel has always been a frontrunner in continually improving its operational performance in all areas, like production, yield, plant utilisation and others, while reducing the consumption of fuel, power, stores and others.

ENERGY CONSERVATION INITIATIVES AT VIJAYANAGAR

- Reduced total solid fuel rate (coal + coke) in Corex for FY 2012-13 by 2.2% compared to FY 2011-12.
- Increased blast furnace gas utilisation by 21.2% over FY 2011-12; this has been achieved by commissioning HP Booster and 60 TPH BF gas-fired boiler.
- Enhanced the power generation from 493 MW in FY 2011-12 to 760 MW in FY 2012-13 by commissioning CPP-IV.
- Enhanced TRT power generation from 14.6 MW in FY 2011-12 to 21.86 MW in FY 2012-13.
- Installed four 6.6 KV VFD drives, two 60,000 Nm^3/hr and two 30,000 Nm^3/hr high pressure booster, respectively.
- Commissioned mixed gas line from HSM-2 to CRM-1, which acts as a ring main, maintains network pressure and ensures continuous mixed gas supply; this project helps generate additional 40 to 50 KNm^3 mixed gas.
- Commissioned two HP booster of 30,000 Nm^3/hr to make HP mixed gas available to HP consumer during Corex outage.
- Commissioned 1*60TPH BF gas-fired process steam boiler, which utilises 50 to 60 KNm^3/hr of BF gas.
- Connected dedicated LPG pipeline to SMS 1 CCP to provide un-interrupted supply.
- Installed waste heat recovery system for Sinter Plants 2, 3 and 4 to capture waste heat of hot sinter products and to utilise them to produce 70 tph of steam at 15 bar.

ENERGY CONSERVATION INITIATIVES AT SALEM

- Improved pulverized coal injection (PCI) at blast furnace from 125kg/ton of hot metal to 132kg/ton of hot metal (annualized average figures).
- Installed variable frequency drive in primary air fan at Captive Power Plant, saving 120 kw.
- Reduced coke moisture by 3.5%, through installation of coke dryer, using waste heat of the coke oven.
- Installed Static Var compensator at MRSS, improving utility demand utilisation.
- Improved yield at coke oven by 0.5% by reducing burning loss by using a sacrificial barrier technique.
- Generated additional power of 120 kw through increased waste gas utilisation from coke oven in waste heat recovery boilers.
- Installed air preheating at ladle and tundish heater to reduce oil consumption (0.8 Ltrs/Mt of Furnace Oil savings).

ENERGY CONSERVATION INITIATIVE AT VASIND AND TARAPUR

- Runs the combustion blower through the VFD drive in closed loop with pressure feedback.
- Optimised CAG blower to run in closed loop with Pyrometer feedback.
- Optimised induction oven power as per width and thickness.
- Installed VVVF drive in roll coolant pump and optimised the process.
- Optimised ARP exhaust blower to maintain pressure through Motor RPM control through VFD Drive.
- Saved fuel by commissioning CGL-1 soaking furnace pulse firing system.
- Replaced halogen lamp with energy-efficient metal halide lamp.
- Saved electricity by replacing V belt with flat velt in blowers.
- Installed RTO in CCL-1 at Tarapur to improve thermal efficiency.
- Installed VFD drives at TM-5 and CCL-2 to save 96 Mwh monthly, up to March, 2013.

- Installed lighting transformer at TM-5.
- Minimised field current of TM-2 POR motor during idle running.

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

Efforts made in Technology Absorption are given in Form 'B'.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, develop new export markets for products and services, and export plans:

Exports have always been the Company's strategic move to add value, customise products and expand geographical reach. Despite demand contraction in international markets during fiscal 2012-13, the Company exported 1.89 million tonnes.

b) Total foreign exchange used and earned:

₹ in crores

		FY 2012-13	FY 2011-12
i)	Foreign Exchange earned	7,167.30	5,496.42
ii)	Foreign Exchange used	13,279.74	14,376.58

FORM 'A'

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A POWER AND FUEL CONSUMPTION

Particulars	2012-13	2011-12
1. Electricity		
a) Purchased		
Unit (kwh) (in Lacs)	13,595.82	13,118.48
Total Amount (₹ in crores)	632.72	631.74
Rate / Unit (₹)	4.65	4.82
b) Own generation		
i) Through Captive Power Plant		
Unit (kwh) (in Lacs)	44,448.20	44,884.76
Total amount (₹ in crores)	1,634.57	1,708.39
Cost / Unit (₹)	3.68	3.81
ii) Through diesel generator		
Unit (kwh) (in lacs)	10.71	30.14
Unit per ltr of diesel	0.03	0.09
Total amount (₹ in crores)	1.22	3.04
Cost / Unit (₹)	11.42	10.09
iii) Through top recovery turbine units (kwh) (in lacs)	1,915.24	1,285.51
Total amount (₹ in crores)	4.36	3.55
Cost / Unit (₹)	0.23	0.28
2. Coal + Coke		
Quantity (tonnes)	99,66,912 t of Coal + 1,44,682 t of Coke	86,25,093 t of Coal + 1,05,384 t of Coke
Total amount (₹ in crores)	10,871.32	11,367.50
Coal rate (₹ /t)	10,708	12,997
Coke rate (₹ /t)	13,743	14,969
3. Furnace oil		
Quantity (K.Ltrs)	1,562	5,551
Total amount (₹ in crores)	6.39	20.47
Average rate (₹ /Ltrs)	40.91	36.88

	Particulars	2012-13	2011-12
4.	LPG		
	Quantity (tonnes)	16,263	21,704
	Total amount (₹ in crores)	95.84	106.76
	Average rate (₹ /t)	58,931	49,190
5.	RLNG		
	Quantity (MMBTU)	5,08,873	57,409
	Total amount (₹ in crores)	45.31	4.79
	Average rate (₹ /MMBTU)	890	834

B CONSUMPTION PER UNIT OF PRODUCTION

Particulars	2012-13	2011-12
1. Crude steel		
Electricity (kwh /t)	558	554
LPG (Kg /t)	0.8	0.7
2. Hot rolled coils/Steel plates/ sheets :		
Electricity (kwh /t)	101	103
3. Rolled products – long		
Electricity (kwh /t)	127	133
4. Galvanised coils/sheets :		
Electricity (kwh /t)	196	195
LPG (Kg /t)	15	16

FORM 'B'

FORM OF DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

RESEARCH AND DEVELOPMENT (R&D)

1. Specific areas in which R&D activities were carried out by the Company

Research and development (R&D) activities at JSW Steel Ltd. were primarily focused to improve plant performance, develop new processes and products, conserve energy and utilise waste. To extend the benefits of R&D to all the plant locations of JSW, R&D sub-centres have been created at Salem, Vasind and Tarapur and are recognised by DSIR, Ministry of Science and Technology.

R&D initiatives towards PPI covered the entire spectrum of processes. It comprised beneficiation, pelletisation and sintering of iron ore, iron making in Corex and blast furnace, steel making, hot and cold rolling. New processes were developed to recycle wastes, such as coal fines, mill scale and other iron-bearing wastes, by agglomeration and briquetting. Another important milestone in waste utilisation was accomplished by using granulated BOF slag in cement making.

The Company collaborated with India's leading academic and research institutes to promote industry-academic partnership. Projects with NML Jamshedpur, IIT Bombay, IIT Madras, and National Research Centre for Agro-forestry (NRCAF) Jhansi are in progress.

2. Benefits derived from R&D efforts

A) Vijayanagar Works

- Developed products, including 32 customised grades in line pipe, medium carbon, automotive grade steels and so on.
- Developed new blowing procedure in converter to treat high Mn hot metal at steel-making shop to improve converter's refractory life.
- Developed mill-scale briquetting process to effectively utilise mill-scale waste as a replacement of coolant in SMS, leading to significant cost reduction and recycling of solid waste.
- Designed new HMDS lance to enhance the reactivity and yield of CaC2, in turn, reducing carbide consumption/TLS.
- Optimised SEN port dimensions for wider casting sections to improve the casting quality and reduce trimming losses.
- Developed a system of baffle and optimised positioning in the tundish to reduce the inclusions in the cast of special grade steels.
- Developed and implemented property prediction model for TMT bars and rods at WRM and BRM to help optimise the rolling

parameters in much shorter time during section change.

- Developed and implemented lime and carbide injection model for HMPT and HMDS.
- Developed beneficiation process for high silica high alumina iron ore of Jharkhand area.
- Up-graded iron ore slimes (classifier overflow) of BP-2 by selective flocculation and magnetic separation from 47% Fe to 58% Fe, with weight recovery of 42%.
- Innovated Dual-stage Dynamic Separator for effective beneficiation of low-grade minerals.
- Utilised blast furnace cast house dust in sinter making as waste utilisation without affecting sinter quality.
- Developed hot metal temperature prediction model for blast furnace as an operator guidance tool.
- Optimised coal blend using higher proportion of inert gases.
- Developed process development to enhance purity from 78% to 90% at coke oven; investigated for CO2 sequestration using BOF slag.
- Optimised the energy consumption at RHF in HSM2, resulting in 12% fuel saving.

B) Salem Works

- Developed new steel grades:
  - 100 Cr6, S55CLS, SUJ2, SAE5120, to bear applications
  - SAE 8620, 20MnCr5B, 25MoCr4 for gears
  - 51 CrV4, 25MoCr4, SAE5137, SAE 1045M and T22 are under customer evaluation
  - SBMA 740 for piston rods
- Improved machinability of free-cutting steels through inoculation of sulphide inclusions.
- Used waste heat from flue gases for preheating of combustion air and ladle/ tundish in steel making.
- Developed innovative technique to increase the use of soft coking coal in coke making up to 22%.
- Developed methods to utilise the iron-bearing wastes in sinter plant.
- Increased sinter productivity to 1.5 T/M2/hr by improving permeability.
- Developed barrier layer technology to improve coke yield.
- Brought forth a special cooling method to reduce grain boundary cementite in wire rods.
- Developed technology to inject TIO2 in PCI to extend life of blast furnace hearth.
- Developed technology to inject catalyst to improve combustion characteristics of pulverised coal.
- Applied for six patents in different areas of iron and steel manufacturing.
- Developed technology to reduce moisture in coke to less than 2% using waste heat from coke oven.

C) Vasind and Tarapur Works

- Developed high coating GI with 550 gsm coating in structural grade, complying to ASTM A 653 SS 37 and SS 50 required for Solar Panels Module.
- Successfully developed GI of higher than 300 gsm coating with minimised spangles.
- Initiated trials to develop high-strength, low-alloy Grade 60 GI for structural applications; organised trials with HR Grade SH41 AK (JSW Ispat).
- Developed Cool Roof Paint System for roofing application - an effort towards energy conservation through reduction in power consumption.
- Developed glossy paint with 2H pencil hardness for home appliance products.
- Initiated trials for 1T bend extra-flexible paint on 275 gsm substrate for home appliance.

3. Way Ahead

- Increased focus on beneficiation of low-grade iron ores as well as banded hematite quartzite (BHQ) ores.
- Enhanced focus of product development wing on high-end line pipe steels, dual phase and IF steels.
- Improved plant performance by developing expertise in physical and mathematical simulation.

- Commissioned new embossing line for appliance grade
- Developed high-gloss PPGI for refrigerator door panel for import substitution
- Created high tensile grade GI with zero and suppressed spangles
- Developed PPGI as per RoHS directives

4. Expenditure on R&D

₹ in crores

Particulars	FY 2012-13	FY 2011-12
Capital	38.37	51.53
Revenue	10.07	10.65
Total	48.44	62.18

TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

1. Vijayanagar Works

- Commissioned and stabilised BHQ Pilot Plant for beneficiation of BHQ iron ores.
- Commissioned coke dry quenching (CDQ) technology at coke ovens.
- Adopted mill-scale briquettes as coolant in steel-making converters at SMS.
- Adopted sub-lance system in converter at SMS 1.
- Added petroleum coke up to 20% in coal blend to reduce coke ash and coke production cost.
- Adopted BLT charging system in blast furnace-2.
- Commissioned Jig in Beneficiation Plant-2.

2. Salem Works

- Introduced phased array technology to detect internal defects in rolled products.

3. Vasind Works

- The Company commissioned two new colour coating lines of construction grade and appliance grade, having capacities of 0.15 MTPA and 0.075 MTPA, respectively. The dedicated, state-of-the-art appliance grade line has three coats, three bake system and hot lamination, the first of its own kind in India. Both the lines are equipped with world-class terminal equipment and special care to maintain dust free atmosphere.
- It upgraded CGL-1 line to process EDD grade GI and online skin pass Mill (CMI). It also installed electro static oiler (Ravarini, Italy) for controlled oiling. CAG old cooling pendants are replaced with new Spooner (The UK) Cooling pendants to overcome strip fluttering problem near air knife. Thereby, it helps to achieve uniform coating.
- It upgraded ETP capacity to take care of additional effluent generated from CCL lines.

4. Tarapur Works

- Installed multi-effect evaporator system at effluent treatment plant to recycle the effluent and water cycle; conserves water to achieve zero discharge of effluents
- Increased the line speed of CCL-1 from 80 to 120 mpm along with enhancing thermal efficiency of combustion system to reduce fuel consumption from 24Kg/MT to 16 Kg/MT, through replacement of incinerator with RTO Unit

5. Imported Technologies

Innovation / Technology	Year of Import / Absorption	Status of Implementation
Sub-lance system in converter	2012-13	Commissioned
Banded hematite quartzite 9BHQ) pilot plant	2012-13	Commissioned
Electron probe micro analyser	2012-13	Commissioned
Disc pulverizer	2012-13	Commissioned
Particle size analyser	2012-13	Commissioned
Contact angle analyser	2012-13	Commissioned
Zeta probe analyser	2012-13	Commissioned
Phased array technology	2012-13	Commissioned

ANNEXURE – 'B' TO DIRECTORS' REPORT

Information regarding (Employee Stock Option Scheme and Employee Stock Purchase Scheme) for the year ended 31st March 2013:

	Scheme Name	JSWSL Employees Stock Ownership Plan – 2012	
Sr. No.	**Particulars**	**Initial Grant 26th July 2012**	**1st Subsequent Grant 26th July 2012**
1.	Options Granted	31,35,744	16,02,480
2.	Pricing Formula	Exercise Price is determined by the ESOP Committee at its sole discretion	Exercise Price is determined by the ESOP Committee at its sole discretion
3.	Exercise Price (₹)	700	700
4.	Options Vested	Nil	Nil
5.	Options Exercised	Nil	Nil
6.	Total number of Shares arising as a result of exercise of Options	Nil	Nil
7.	Options forfeited and/or transferred from group companies (net)	42,914	49,394
8.	Variations of terms of Options	Not applicable	Not applicable
9.	Money realised by exercise of the Options	Nil	Nil
10.	Total number of Options in force	30,92,830	15,53,086
11.	i) Details of Options granted to senior managerial personnel	Appendix – A	Appendix – A
	ii) Any other employee who receives in any One Year of grant of Options amounting to 5% or more of Options granted during that Year	None	None
	iii) Identified employees, who were granted Options, during any One Year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant	None	None
12.	Diluted Earning Per Share (EPS) pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20 issued by ICAI for the year ended 31st March 2013	Not applicable, as there is no issue of shares during the FY 2012-13.	Not applicable, as there is no issue of shares during the FY 2012-13.
13.	A description of method and significant assumptions used during the year to estimate the fair value of Options granted during the year	The fair value of options has been calculated by using Black Schole's Method. The assumptions used in the above are:	
	Risk free Interest Rate	Zero Coupon sovereign bond yields were utilized with maturity equal to expected term of option. The rate used for calculation is 8.03%	Zero Coupon sovereign bond yields were utilized with maturity equal to expected term of option. The rate used for calculation is 7.99%
	Expected Life	The expected option life is assumed to be the full term of the option program.	The expected option life is assumed to be the full term of the option program.
	Expected Volatility	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 61.58%	Volatility was calculated using standard deviation of daily change in stock price. The volatility used for valuation is 60.79%
	Expected Dividend	₹ 7.50 per share	₹ 7.50 per share
	The price of underlying share in the market at the time of grant	₹ 669.65 per share	₹ 669.65 per share

Appendix – A

Details of options granted to and accepted by Senior Managerial Personnel

Sr. No.	Name of Senior Managerial Personnel	Designation	Initial Grant	1st Subsequent Grant
			Granted on 26th July 2012	Granted on 26th July 2012
1	Mr. Seshagiri Rao M V S	Joint Managing Director & Group CFO	58,157	23,980
2	Dr. Vinod Nowal	Dy. Managing Director	43,153	17,882
3	Mr. Jayant Acharya	Director - Commercial & Marketing	39,284	16,078
4	Mr. Jayant Sathaye	Executive Director (Salem Works)	19,583	8,011
5	Mr. Surender Ranade	Executive Director - Operations	24,287	9,982
6	Mr. Narinder Khurana *	Executive Director - Mining	-	11,093
7	Mr. Pankaj Kulkarni	CEO - Special Projects	31,733	12,918
8	Mr. Sasindran P.	COO	26,181	10,775
9	Mr. D Ravichandar	CEO (Salem Works)	23,352	9,590
10	Mr. Girish Gokhale *	President - Legal & Group Counsel General	-	12,059
11	Mr. Ram Prakash Nangalia	President - Corporate Relations	-	7,700
12	Mr. Anirudh Singh	President - HR	16,296	10,166
13	Mr. Dileep Bhatt	President - Downstream Operations	-	9,272
14	Mr. Sandeep Gokhale	President - Business Development	32,707	13,321

* Separated during FY 2012-2013

MANAGEMENT DISCUSSION AND ANALYSIS

1. JSW STEEL – AN OVERVIEW

JSW Steel Limited is the flagship company of the USD 11 billion JSW Group. It is among the lowest-cost steel producers globally.

Diversified product offerings

JSW Steel offers a diversified product portfolio of flat and long steel products, which comprise:

- Hot rolled coils, sheets & plates
- Cold rolled coils & sheets
- Galvanised products
- Galvalume products
- Pre-painted galvanised products (Colour Coated Sheets / Coils)
- Pre-painted Galvalume products
- TMT bars
- Wire rods and special steel bars
- Rounds and blooms

Manufacturing facilities

- Vijayanagar, Karnataka
- Salem, Tamilnadu
- Vasind, Maharashtra
- Tarapur, Maharashtra

INDIA'S LEADING STEEL PRODUCER

Post-acquisition of a majority stake in ISPAT Industries Ltd and subsequent to proposed merger/demerger, JSW Steel will become one of the India's leading steel producer with a consolidated capacity of 14.3 MTPA.

2. GLOBAL ECONOMY

- The world witnessed a major economic slowdown in 2012 due to the uncertainties of fiscal imbalance in the AME's coupled with reduced trade and investments.
- Signs of improvement in USA on account of falling unemployment, growing savings and investments.
- The Chinese economy witnessed a gradual cooling of investments and industrial growth which were substituted by increasing consumer spending.
- Frequent Government stimulus and the depreciating yen along with the fiscal consolidation in the EU are positive signs for the global economy.
- Lower commodity prices, falling inflation and abundant liquidity are favourable for the EMEs.
- Global trade volumes are projected to increase from 2.5% in 2012 to 3.6% in 2013.
- Global GDP recovery is projected at 3.3% in 2013 as against 3.2% in 2012.
- Long term challenges – Fiscal Balancing for AME's coupled with improved monetary measures in part of EMEs.

The global economy continues to face significant uncertainties. Anaemic rates of economic growth in the developed world, coupled with slowdown in developing countries, pose challenges to both policymakers and companies. Data from the International Monetary Fund (IMF) shows that global GDP expanded at 3.2% in 2012, with average growth rates of 1.3% and 5.1% in advanced and developing economies, respectively. Global inflation was 3.9% in 2012 [Source: The World Bank].

In 2012, European countries, such as France, Italy Portugal, Ireland, Greece and Spain, remained afflicted with high levels of public debt and rising youth unemployment. Political uncertainty surrounding the implementation of austerity measures, such as debt restructuring and budgetary tightening, was opposed severely by the citizens of these countries. Across the Atlantic, the US witnessed slow economic recovery and a gradual creation of more private sector jobs.

Japan witnessed economic contraction for two consecutive quarters. The nation recovered gradually from the devastating tsunami in the previous year, which disrupted manufacturing supply-chains. However, the rising yen, a diplomatic row with China and subdued global demand affected exports, which are crucial for the nation's economic stability.

Major developing countries, the beacons of rising prosperity over the past few years, slowed down as well. Economic growth in China, India, Brazil and South Korea decelerated due to a combination of domestic policies, which hampered capital formation, and sluggish export demand. Despite the slowdown, emerging markets expanded at a rate significantly higher than the developed countries. This showed that the shift of economic power to emerging markets is well and truly underway.

Exhibit 1: Global GDP Growth rates

Region	2011	2012	2013(p)	2014(p)
World	4.0	3.2	3.3	4.0
AME's	1.6	1.2	1.2	2.2
EME's	6.4	5.1	5.3	5.7
MENA	4.0	4.8	3.1	3.7
USA	1.8	2.2	1.9	3.0
Europe	1.4	-0.6	-0.3	1.1
China	9.3	7.8	8.0	8.2
Japan	-0.6	2.0	1.6	1.4

Source: IMF (April 2013)

(p) refers to projections

3. INDIAN ECONOMY

- High inflation in addition to the global economic slowdown were the major factors resulting in the monetary and fiscal imbalance – adversely impacting economic growth in FY 2012-13 estimated at 5%.
- Capital accumulated in projects as past investment has failed to yield commensurate output depressing economic growth.
- Declining inflation combined with improving liquidity and reducing benchmark rates are expected to gradually improve domestic economic activities providing impetus to industrial production, investments and consumer expenditure.
- The Prime Minister's Economic Advisory Council has projected the GDP to grow at 6.4% during FY 2013-14. Fiscal deficit is expected to be maintained at 4.8%, Current Account Deficit (CAD) at 4.7% and inflation at 6%.
- Reformative measures in the form of reducing fuel subsidies with Direct Cash Transfer of subsidies, FDI in retail and growing rural income through MGNREGA will also aid economic growth.
- An improved monsoon with growing rural income could provide the necessary support to improve economic prospects.

Headwinds in developed nations and domestic supply bottlenecks affected India's economic growth in FY 2012-13. Moreover, RBI's monetary tightening, especially the successive hikes in repo rate, increased the cost of capital and lowered business investment. As a result, the Indian economic output growth was estimated at 5% in FY 2012-13, compared to 6.2% in the previous fiscal year.

Exhibit 2: Sectoral Growth rates - India

Sl. No	Sector	% Share		% Growth	
		2011-12	2012-13 (AE)	2011-12	2012-13 (AE)
1	Agriculture	14	14	3.6	1.8
2	Industry	28	27	3.5	3.1
3	Services	58	59	8.2	6.6
4	GDP	100	100	6.2	5.0

Source: CSO

(AE) Advanced Estimates

Difficult global economic conditions also led to the highest ever trade deficit estimated at USD 200 billion in India, resulting in an increase in CAD to the tune of 5.1% during FY 2012-13 coupled with high-inflation and fiscal deficit.

4. GLOBAL STEEL INDUSTRY

The global financial crisis, European debt problems and Japanese recession, affected the steel demand in developed countries.

- During 2012, the global steel witnessed an unprecedented slowdown of consumption growth of 1.2% (1,413 MnT).
- 80 MnT of steel capacity addition during the year, far outpaced demand growth of 17 MnT resulting a effective surplus in excess of 350 MnT. As a result, excess capacity impacted prices, margins and profitability across globe.
- With the global economy expected to improve in 2013, world steel demand is projected to grow by 41 MnT or 2.9%. Of this, China will add 23 MnT to global steel demand, growing at 3.5%.
- However, additional capacities, projected to increase by 67 MnT will continue to pressurise prices, margins and profitability.

Overcapacity and production more than what the market can absorb, have remained principal concerns for the world steel industry since the FY 2008-09 global financial meltdown. The world is witnessing capacity effective surplus in excess of 350 MnT, about 2.5 times from 2002.

The share of emerging markets in world steel demand has grown steadily over the last decade. With infrastructure creation driving public policy, steel demand in several emerging economies has expanded rapidly. Industries, such as housing and automobiles, have also found greater application of steel and related products.

Crude Steel Production

Asia remains the key driver of global steel output. The region produced 1,013 MnT of crude steel in 2012, an increase of 2.6% over the previous year. This growth can be attributed to the rise in Indian and Chinese output. South Korea has also emerged as one of the leading Asian steel producers. The region's share in world steel production increased from 64.5% in 2011 to 65.4% in 2012.

Exhibit 3: World crude steel production

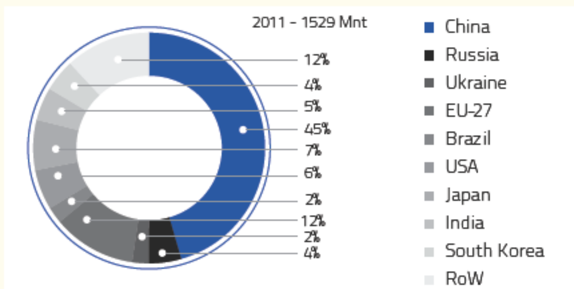
(MnT)

	2008	2009	2010	2011	2012	% Variance 2012/2011
Europe	344	265	315	330	321	(2.7%)
of which:						
EU (27)	198	139	173	178	170	(4.7%)
CIS	114	97	108	113	111	(1.2%)
North America	125	83	112	119	122	+2.5%
of which:						
USA	92	58	81	86	89	+2.5%
South America	48	38	48	48	47	(3.0%)
Africa	17	15	17	16	16	+0.3%
Middle East	17	18	20	23	24	5.3%
Asia	783	810	917	987	1,013	+2.6%
of which:						
China	512	577	639	695	717	3.1%
Japan	119	88	110	108	107	(0.3%)
India (*)	58	66	70	74	78	+5.4%
Oceania	8	6	8	7	6	(19.9%)
World	1,341	1,235	1,432	1,529	1,548	+1.2%

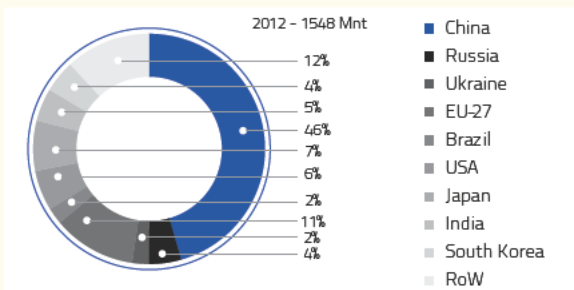
Source: World Steel Association

(*) Source : JPC , F.Y 2008-09 to 2012-13 (April-March)

Exhibit 4 : Countries' share in World Steel Production



1.2% growth

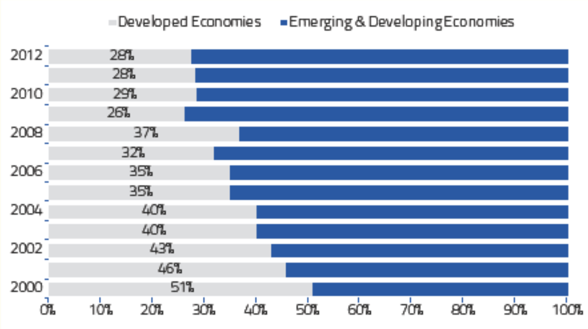


Source: World Steel Association

Steel demand

The slowdown in global economic growth curtailed steel demand significantly in CY 2012 to 1.2% as against 7.3% in CY 2011. The share of emerging markets in world steel demand has grown steadily over the last decade from 49% in CY 2000 to 72% in CY 2012 reflecting a shift in global steel demand from developed to emerging economies.

Exhibit 5: Regional Share in World Steel Demand



Source: World Steel Association

4.1. China

- China is expected to display considerably policy stability and consistency to ensure sustainable economic growth.
- China is expected to focus more on domestic consumption shifting its attention from export and heavy infra investment drivers for economic growth.
- Consequently, it is expected that the investments in infrastructure will gradually slowdown.

Over the past year, the Chinese economy slowed down significantly. The government is implementing certain measures to ensure sustainable future growth. Hikes in interest rates and government policies have resulted in a construction industry slowdown. This is expected to affect steel demand in the future. As per the National Bureau of Statistics, China recorded a GDP of 51.93 trillion Yuan at a growth rate of 7.8% in 2012, the lowest since 1999.

Exhibit 6: Sectoral Growth rates - China

Sl. No	Sector	% Share		% Growth	
		2011	2012	2011	2012
1	Agriculture	10.2	10.1	4.5	4.5
2	Industry	46.7	45.3	10.6	8.1
3	Services	43.1	44.6	8.9	8.1
4	GDP	100	100	9.2	7.8

Source: National Bureau of Statistics China (NBS)

Steel production

In 2012, China retained its leading position among the global crude steel producers. The country produced 717 MnT of steel, up from 695 MnT in the previous year, a 3.1% increase. China was followed by Japan (107 MnT),the US (89 MnT) and India (77 MnT).

Steel demand

The slowdown in economic growth curtailed steel demand in 2012. Downstream industrial sectors (railway construction, property development and shipbuilding among others) witnessed slower economic activity, which affected steel requirement. Steel producers failed to anticipate the lower market demand and continued to add capacity even in high cost regions. Subsequently, the glut in production led to oversupply. The absence in demand and heightened competition among several producers led to a slump in steel prices.

The steel industry in China needs to adopt a new approach to manage the industry. The Chinese Government is considering stricter standards for emissions from steel plants. Once applied, this will shut down the more polluting units.

Exhibit 7: Steel Scenario – China

(MnT)

Particulars	2011	2012	Variance	% Growth
Production	695	717	22	3
Export	49	56	7	14
Import	16	14	-2	-13
Net Export	33	42	9	27
Demand	634	646	12	2

Source: My steel / World Steel Association

4.2. India

In CY 2012, India emerged as the fourth largest crude steel producer globally after China, USA and Japan. With its strong forward and backward linkages, the steel sector contributes significantly in Indias economic growth. It is about 2% to the nation's GDP and has a 6% share in the official industrial production index. The sector is an important participant to the country's growth story.

- Crude Steel production in FY 2012-13 reached 78 MnT, an increase of 4 MnT or 5.4%, against a moderate demand of 73.3 MnT, an increase of 2.3 MnT or 3.3%
- Subdued Industrial growth at 1% was on account of a 2.1% growth in consumer durables and a 6.3% de-growth in capital goods. Additionally, high Inflation at 7.3%,

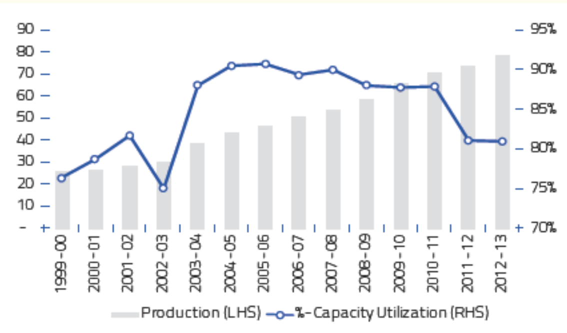
Rupee depreciation, declining auto production growth at 1.2% and reduced investment growth from 4.4% to 2.5% (Estimated), remained major impediments to Indian steel demand growth.

- Per capita steel demand increased marginally from 59 kg in FY 2011-12 to 60 kg in FY 2012-13
- FY 2012-13 witnessed imports growing by 1 MnT or 14% to 8.6 MnT, displacing 45% domestic supplies
- Growing imports from Japan and Korea with concessional duty under Free Trade Agreements (FTAs) contributed 37% to India's total imports of 8.6 MnT and 100% to incremental imports. This constituted a major threat to the sustainability of the Indian steel industry.
- Indian steel demand is projected to grow at 5.9% in CY 2013 at the back of a moderate economic recovery from estimated 5% in FY'13 to 6.4% in FY'14.

Capacity utilisation

India's crude steel capacity grew at 9% per annum in the decade. During FY 2012-13, capacity utilisation was at 82%, marginally lower than last year. However, this was better than the average world capacity utilisation of 75% in CY 2012.

Exhibit 8: Crude Steel Production & Capacity Utilisation (Mnt, %)



Source: JPC

Exhibit 9: Steel Scinerio India (Mnt)

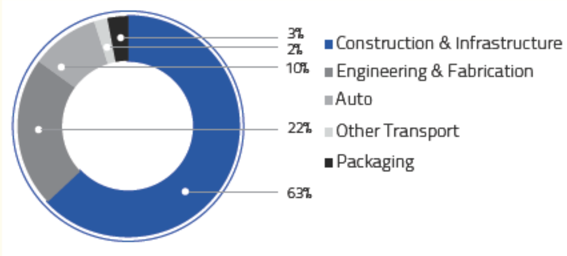
Particulars	2011-12	2012-13	Variance	% Growth
Production	74.3	78.3	4.0	5.4%
Export	4.6	5.3	0.7	14.5%
Import	6.9	7.9	1.0	14.6%
Net Import	2.3	2.6	0.3	13.0%
Demand	71.0	73.3	2.3	3.3%

Source: JPC

Key steel demand drivers

Indian steel demand is primarily driven by construction and infrastructure sectors which together account for 63 percent of total steel demand in the country. It is estimated that government spending of USD 1 trillion in infrastructure and construction will enhance the demand for steel in this sector.

Exhibit 10: Indicative Sector-Wise Steel Consumption In India (%)



Source: World Steel Association

The automobile industry which has under performed in the current financial year is likely to recover with rising demand from semi urban and rural regions as rising disposable income would act an enabler. Engineering and capital goods which are under the threat of imports will get a new lease of life as government encourages the domestic industry to procure engineering goods rather to import, by giving various incentive to this industry. The appliances sector will also get a boost as the government increases its thrust on power for all and electrifying the rural areas.

Challenges

High imports amid lower domestic demand

Indian steel demand achieved a moderate growth of 3.3% during FY 2012-13 against a backdrop of subdued economic performance of key industries. With the domestic production remaining low, consumption growth was supplemented by surging imports. India's overall import dependency remained at 12% during FY 2012-13 as against 11% during FY 2011-12. Higher imports are being driven by global steel surplus finding its way to India under the concessional duties extended under FTAs especially from Korea and Japan.

Iron ore

Due to regulatory clamp down on iron ore mining in the states of Karnataka and Goa, iron ore production reduced to a level of 140 MnT in

FY 2012-13 as against 167 MnT in FY 2011-12, resulting in a 16% drop in the availability.

During FY 2012-13 Iron ore export were of 19 MnT. Thus India had to import 3.8 MnT of Iron ore to supplement consumption requirement.

5. OUTLOOK

5.1. Global Economy

The global economic outlook continues to be weak with tight liquidity, contracting demand, declining trade and reducing investments. World witness bold and challenging fiscal measures in terms of monetary easing and stimulus measures to secure and stimulate economic recovery.

International Monetary Fund projects a modest economic recovery in 2013 with world GDP expected to grow at 3.3%, an increase from 3.2% in 2012. The US economy is expected to adopt a more moderate fiscal consolidation than envisaged and is projected to sustain its GDP growth at 1.9% in 2013 as against 2.2% estimated for 2012. European economic growth is projected to continue to contract by 0.3% in 2013 after witnessing an estimated economic deceleration of 0.6% in 2012. Japan is expected to overcome its recession stimulated by monetary-easing with GDP growth for 2013 projected with a downside risk at 1.6% vis-à-vis 2% estimated for 2012.

China's economic growth softened in 2012 with GDP growth at 7.8%, impacted by the slowing down of Investment, industrial growth and exports on one hand and domestic consumption growing only moderately, on the other Nonetheless, China continues to remain the major global economic engine and is slated to retain economic growth momentum, projected to grow at 8.0% in 2013.

Global steel outlook – growth amidst uncertainties

Global steel demand is expected to witness a moderate improvement vis-à-vis 2012 led by low inventory levels duly supported by improving economic performance across geographies.

Raw material prices are slated to remain less volatile as compared to FY 2012-13. In view of the above, the World Steel Association has projected a global steel demand growth at 2.9% with China at 3.5% for CY 2013.

However, the world is reeling under the pressure of large surplus capacity which will remain a serious cause of concern, especially in times of subdued global demand.

5.2 Indian Economy

The Indian economy is expected to witness a moderate recovery in the medium term on account of ongoing reformatory measures, fiscal consolidation, improved prospects of liquidity which are envisaged to improve industrial and manufacturing growth duly supported by reducing inflation.

In accordance, economic growth is projected to increase by around 6.4% in FY 2013-14 as per the projection given by the Prime Minister's Economic Advisory Council while the Hon'ble Finance Minister has projected the same at 6.1% to 6.7% in the Union Budget speech for FY 2013-14.

Indian Steel outlook

Indian steel demand is expected to boost by Infrastructure & Construction development, sustained by industrial, manufacturing and capital goods and be stimulated by the automotive and consumer durable sectors. The USD 1 trillion investment in to infrastructure and construction planned during the 12th Five Year will drive demand. Direct demand for infrastructure and construction is pegged at approximately 40 MnT with per capita steel demand projected to increase from 60 kg in FY 2012-13 to 88 kg by FY 2016-17. The Indian Steel Industry is expected to achieve a growth of 5.9% during FY 2013-14 as per the projection given by World Steel Association.

6. PLANT OPERATIONS

6.1 Vijayanagar

Overview

The Vijayanagar Works, the Company's flagship steel manufacturing plant, is India's first to use Corex technology to manufacture steel. Leveraging cutting-edge technologies, the plant has become one of the most efficient in terms of conversion cost globally.

The Vijayanagar Works is the first Indian plant with a large-scale, low grade iron ore beneficiation process. Its coke manufacturing unit, with a capacity of 4.62 MTPA, is also the largest in a single location. The indigenously developed pilot coke-oven plant, first of its kind in India, facilitates coke blending from diverse sources.

The Company has a manufacturing capacity of 9.2 MTPA of pellets at Vijayanagar. The pellet production unit consists of India's first dry process pelletising plant, which is suited to soft iron in the Bellary-Hospet region.

The Vijayanagar Works has earned a reputation for producing a range of end products of various specifications. Products, such as slabs, billets, blooms, Hot Rolled (HR) coils and sheets, Cold Rolled Close Annealed (CRCA) coils and sheets, wire rods and bar rods, are customised to user applications and contribute significantly to the organisation's profitability.

a) Beneficiation Plant

Initiatives and achievements, FY 2012-13

- Commissioned the plant to beneficiate low grade (upto 46 Fe) Iron ore through which the required quality norms of sinter and pellet plants have been achieved.
- Consolidated process building rejects through METSO High Gradient Magnetic separator (HGMS) to improvise product generation.

Future prospects

- Further process overall plant tailings in a separate beneficiation unit to minimise trailing losses and Fe content.

b) Coke Oven

Initiatives and achievements, FY 2012-13

- Increased coke production due to the increase number of pushings in Coke Oven Battery 4 from an average of 264 to an average of 278 pushings per day.
- Improved coal-coke ratio in coke manufacturing.

Future prospects

- Rebuild 32 ovens of Battery A of Coke Oven-I to improve the quality and production.

c) Pellet Plant (PP)

Initiatives and achievements, FY 2012-13

- Installed a water mist spray system in pellet overflow yard.
- Commissioned PP 2 bag house and Online screening Plant bag house.
- Commissioned Hyper Baric Filter(HBF).
- Commissioned Product Stacking conveyor to enhance storage capacity.
- Commissioned Opacity meter for online stack monitoring.

Future prospects

- Install standby wind box recuperation fan.
- Install Ball mill 2.
- Improve Capacity utilisation.

d) Sinter Plant (SP)

Initiatives and achievements, FY 2012-13

- Commissioned BF 1 and BF 2 on-line Sinter Fines feeding scheme.
- Maintained overall plant availability at more than 94%.
- Increased metallurgical waste utilisation to 50Kg/t at SP 2, 3 and 4.
- Reduced Gross Power consumption to 40 KWH/t.
- Maintained mean particle size of Sinter at 17.5-18.0 mm at SP 3.
- Reduced Degradation and Reduction index from 30% to 25% at all units.

Future prospects

- Install and Commission secondary Nodulising system.
- Commission Online Analyser.

e) Iron-making zone

Initiatives and achievements, FY 2012-13.

Achievements

- Optimised slag regime of high Al2O3 low MgO and high MnO to maintain the slag rate despite high increase in Al_2O_3 and MnO input.
- Introduced new coal type with fixed carbon of 60% and low ash of 8% resulting in decreased fuel and slag rate, and increased productivity.
- Implemented Slag regime control to operate with high slag rates.
- Replaced BRCU with BLT for better process control and higher productivity in BF 2.
- Top gas pressure increased in BF 1 and 2.
- Reduced consumption of Corex gas in the mix gas for hot blast stoves in BF 1 and 2.

Process Improvements

- Achieved consistent coal injection (100-110 kg/thm) in BF 2 with high slag rate operation
- Increased O^2 enrichment in BF 2.
- Commissioned 4th stove in November 2012 which was taken online at BF 3.

- Optimised burden distribution and casting practice to achieve appreciable reduction in fuel rates under high fluctuation of slag and flux rates.

Future prospects

- Achieve 9000 tonnes per day production at BF 3 and BF 4 consistently.
- Achieve PCI rate above 150 kg/thm.
- Operate four stoves in BF 4.

f) Raw Material Handling System (RMHS)

Initiatives and achievements, FY 2012-13.

- Commissioned two Wagon Tipplers handling two Wagons in tandem, the first installation of its type in India.
- Reduced internal shifting cost due to addition of new facilities.

Future prospects

- Install five new de-dusting systems.
- Install 1 km wind fence to improve environment.

g) Steel making section

Initiatives and achievements, FY 2012-13

- Decreased tap to tap time by 8% by reducing the overall cycle time.
- Implemented project Opti-max to improve efficiencies and reduce human interface errors.
- Completed 15% of the work related to the augmentation of Steel Melting Shop (SMS) 1 and 2 and 65% and 90% work for higher equipment availability and productivity of SMS 1 Continuous caster 4 and LHF 3 projects, respectively.

Future prospects

- Set up a new SMS with a 1.5 MTPA capacity comprising of a 1.5 MTPA billet caster electric arc furnace.
- Increase capacities through augmentation projects of SMS 1, by adding a 1,600 mm wide caster.
- Implement Continuous Caster 4 and LHF3 projects in SMS 1 to increase the equipment availability and productivity are in progress as per schedule.
- Augment secondary steel melting capacity by adding one ladle heating furnace.

h) Bar/Wire Rod Mill

Initiatives and achievements, FY 2012-13

New product developments during the year included:

- EWNR grade (IS:2879) in 5.5mm, used in Metal Arc Welding Electrodes.
- 12mm TMT in Coil form developed indigenously
- HC51/55 in 5.5 mm developed as per customer requirements and will be used in Tyre Bead Wire, Spring Wire and other industrial wires.
- Fe 550 &Fe 550D in TMT Bars for which the BIS License(IS 1786) has been received.

Future prospects

Set up a 1.2 MTPA Bar Mill to be commissioned in FY 2014-15.

i) Hot Strip Mill (HSM)

Initiatives and achievements, FY 2012-13

- Phase 2 of Hot Strip Mill (HSM) 2 was commissioned in October 2012, ahead of schedule.
- Various improvement projects carried out during the year included:
  - IMS Thickness Gauge for continuous monitoring and control of the strip thickness.
  - Walking beam to enhance the coil yard efficiency.
  - Online surface inspection for continuous checking and improving strip surface quality.
  - Completed modifications in the continuous pickling line to enhance the capacities of Hot Rolled Picked and Oiled (HRPO)/ Hot Rolled Skin passed Pickled and Oiled (HRSPO).
- 21 grades of HRPO/HR were developed during the year. These included:
  - IFHS (High Strength) grades are developed for automotive inner panels.
  - Low carbon rephosphorised steel development for an Original Equipment Manufacturer (OEM).
  - Mn 440W grade developed with JSW substrates for various OEM's.
  - Developed American Petroleum Institute (API) 5CT (J-55) for casting and tubing applications

- Developed high strength plain C steel (UTS > 490 MPa).
- Developed ASTM A 285 grC for pressure vessels.
- Developed API X70 grade in thicker section (>15mm).

Future prospects

Modify the Continuous Pickling Line to remove mill scale from HR coils. Supply 0.85 MTPA of hot rolled pickled material to cold compact rolling and the remaining material to direct market as HRPO product.

j) Cold Rolling mill

Initiatives and achievements, FY 2012-13

- Four new grades of CRCA were developed during the year.
- New trials were conducted with various major OEM automotive customers for future car models. Approximately 30 new products have been initiated with various automotive customers.

Future prospects

- Commission a 0.2 MTPA non-grain oriented Electrical Steel project in FY 2014-15.
- Commission Phase 1 of CRM 2, consisting of 2.30 MTPA pickling line and tandem cold mill (PLTCM), 0.95 MTPA CAL and 0.4 MTPA CGL in Q3 FY 2013-14.
- Commission Phase 2 comprising the second CAL by December 31, 2014.

6.2 Salem

Overview

The Salem Works manufactures high-grade long steel for use in the automobile and power sectors. It is India's largest special steel manufacturing facility with a capacity of 1 MTPA.

Highlights 2012-13

- Won the Tamil Nadu Government's State Safety Award 2009, organised by the Inspectorate of Factories, Government of Tamil Nadu.
- Won the Best Supplier Award from Tata Motors.
- Application filed for two patent rights in coke making and two in heat recovery during tundish and ladle heating.
- Commissioned Coke Drying unit to reduce coke moisture, leading to substantial savings.
- Gross coke yield improved by reducing burning losses.
- Commissioning of static synchronous condenser (STATCON) for better power factor to help significant savings per annum.
- More than 15 new special steel grades and sections were developed for major automotive OEMs.

Future prospects

- Continue to focus on OEM /Tier 1 approvals.
- Develop new products including micro alloy for transmission gear and hydraulic cylinder pistons and steel for tyre cord.
- Set up a new testing facility for SEM and EDAX, immersion ultrasonic inclusion testing for density measurement, Micro Vickers Hardness.
- Install a wagon tippler for incoming raw materials.

a) Sinter plant

Initiatives and achievements, FY 2012-13

- Increased sinter usage in blast furnace.
- Mineral conservation of iron ore fines.

Future prospects

Utilisation of steam in pre-heating raw mix for the Sinter Plant.

b) Blast furnace

Initiatives and achievements, FY 2012-13

- Increased pulverised coal injection rate in:
  - Blast furnace (BF)1 upto 125 Kg/THM.
  - BF 2 upto 136 Kg/THM.
- Reduced power consumption by:
  - Improving SGP cooling tower fan motor's efficiency.
  - Reducing the speed during idle condition.
  - Changing from normal to low excitation mode

- Improving PCI seal air fan motor's efficiency.

Future prospects

- Increase pulverised coal injections to 175 kg/THM.

c) Steel Melting Shop

Initiatives and achievements, FY 2012-13

- Introduced modified lance in EOF I, along with coke injection for yield improvement , and reduced gunning mass consumption.
- Developed new section 180 diameter in bloom caster.

Future prospects

- Implement a slow cooling system for blooms.
- Introduce tundish modelling for inclusion floatation.
- Manufacture clean steel with less than 10 Micron inclusion size and density of less than 3 mm/Dm^3.
- Achieve an average of four-sequence casting for resulphurised steel.

d) Bar and Rod Mill (BRM)

Initiatives and achievements, FY 2012-13

- Introduced tungsten carbide (TC) rings and double roller guides, which will improve flat production by 10%.
- Introduced secondary descaling system to reduce surface defects,.
- Installed Kocks Block for reducing and sizing block capacity and improving quality of bars and rods.

Future prospects

- Commission a BF gas-fired 100 Mt reheating furnace.
- Introduce online size measurement for rolled products.

e) Blooming Mill (BLM)

Initiatives and achievements, FY 2012-13

- Reduced number of passes in reversing mill for sizes - 95, 110, 115, 120 and 125 mm - by increasing the number of stands in HV Mill from four to six, to improved productivity.
- Reduced BF gas consumption by using Tilter installed at exit side of Reversing mill.
- Installed Automatic inspection Line for de-bundling, de-barring and a second straightener.

Future prospects

- Introduce an online size measurement system for rolled products.
- Install a 32 tonnes per hour (tph) waste heat recovery boiler.

6.3 Tarapur and Vasind

Overview

The Tarapur and Vasind facilities are downstream units engaged in branded steel production. These plants use steel slabs, hot-rolled and cold-rolled coils to manufacture a diverse portfolio of high-quality products that are applied across several sectors.

6.3.1 Tarapur

Highlights 2012-13

- CCL1 & CCL2 capacity enhanced by increasing line speed from 80 mpm to 120 mpm. Installed colour coating capacity increased from 0.232 MTPA to 0.276 MTPA.
- Achieved a 97% PLF at the 30 MW Captive Power Plant (CPP).
- New Product Development:
  - Developed 550 gsm GI for Solar panel.
  - Developed Zero spangle GI in 90 gsm to 550 gsm.
  - Developed cool roof paint system for roofing application – an effort towards energy conservation through reduced power consumption.
  - Developed glossy paint with 2H pencil hardness for home appliance products, like refrigerator.
  - Developed Chrome free passivation to cater to requirements of European countries.

Future prospects

- Set up new dual product line (CSD5) with 0.2 MTPA capacity to create zero spangle GI, thinner gauge GI/GL (from 0.17mm to 0.80mm) and wider GI/GL (up to 1,350 mm).
- Upgrade TM1 mill with 0.225 MTPA capacity with 1,400 mpm mill speed, rolling from 0.17 mm to 1.60 mm and wider width up to 1,350 mm.
- Upgrade TM2 mill with capacity enhancement through speed increase from 650 mpm to 1,200 mpm.
- Convert LPG heating system to natural gas system.
- Upgrade pickling line to enhance capacity from 0.3 MTPA to 0.48 MTPA.

6.3.2 Vasind

Highlights 2012-13

- Commissioned a state-of-the-art 0.15 MTPA CCL 1.
- Commissioned a 0.075 MTPA Appliance grade CCL 2.
- Commissioned a 300 KL per day capacity effluent treatment plant.
- Converted heating system fuel source from LPG to Natural gas.

Initiatives and achievements, FY 2012-13

- Commissioned a new effluent treatment plant in February 2013: The high-technology 300 KL/day capacity ETP was installed to address increased effluent load from CCL and Galvanised lines.
- Installed a new 17,000 m3/hr acid fumes scrubber system in December 2012: The system will minimise the acid fumes discharge as per MPCB norms at the Pickling line.
- Installed two state-of-the-art CCLs: The construction grade line (150,000t / annum) and the appliance grade line (75000t/annum) are equipped with levellers for better shape correction, cold laminator, hot laminator and the longest oven in India.
- Developed new products: 300 gsm higher coating mass exports to European countries.
- Incorporated cost-saving measures: Power wheeling through open access from Tarapur in October 2012, which resulted in power cost reduction.

Future prospects

- Set up embossing line to manufacture value-added 'embossed colour coated' products for white goods sector.
- Upgrade finishing lines (slitting and cut-to-length) for processing high-gloss colour-coated material.
- Commission Railway Siding to:
  - Aim for 100% inward raw material movement.
  - Explore the possibility of sending material to Mumbai port and Jawaharlal Nehru Port Trust (JNPT).
  - Explore the possibility of using railway siding for material storage and distribution from Vijayanagar and Dolvi.
- Enhance product spectrum with D/DD/GPSP material.
- Convert fuel of two boilers from furnace oil to natural gas, making entire complex on NG fuel.

7. STANDALONE FINANCIAL PERFORMANCE

Highlights FY 2012-13 (₹ in crores)

	2012-13	2011-12	Growth (%)
Gross Turnover	38,763	34,658	12%
Net Turnover	35,388	32,060	10%
Operating EBITDA	6,309	5,631	12%
PAT	1,801	1,626	11%
Earnings per share (diluted) (₹)	79.28	71.42	11%
ROCE (%)	11.7%	11.9%	
RONW (%)	9.3%	9.1%	
EBIDTA margin (%)	17.8%	17.5%	
Net Debt gearing ratio	0.82	0.69	

Gross Turnover in FY 2012-13 grew by 12% to ₹ 38,763 crores from ₹ 34,658 crores in FY 2011-12, driven primarily by better product-mix and volumes.

Growth in revenue was primarily led by focus on the supply to the Infrastructure and Construction sectors, signing more MoUs, increased its share with the existing customers and developed new grades to widen the customer base and maintain sustainable relations with the customers.

Operating EBITDA for the year was ₹ 6,309 crores while the EBITDA margin was 17.8%. The Company posted a Profit after Tax of ₹ 1,801 crores.

The Company's net debt gearing was at 0.82 (compared to 0.69, as on March 31, 2012). Additionally, the weighted average interest cost of debt was at 8.17% (compared to 8.19% as on March 31, 2012).

Revenue analysis (₹ in crores)

	2012-13	2011-12	Change	Change %
Domestic Turnover	31,166	28,770	2,396	8%
Export Turnover	7,597	5,889	1,708	29%
Gross Turnover	**38,763**	**34,658**	**4,105**	**12%**
Less: Excise duty	3,376	2,598	778	30%
Net Turnover	**35,388**	**32,060**	**3,328**	**10%**

Product wise quantity break-up (MnT)

	2012-13		2011-12	
Products	**Domestic**	**Export**	**Domestic**	**Export**
Semis	0.23	0.03	0.30	0.11
Rolled products – Flat	4.07	1.23	3.58	0.68
Rolled products – Long	1.65	0.06	1.42	0.04
Value-added flat products	1.03	0.57	1.07	0.61
Total	**6.98**	**1.89**	**6.38**	**1.43**
Saleable Steel	**8.87**		**7.82**	

Highlights FY 2012-13

- Sales volumes increased by 14% to 8.87 MnT in FY 2012-13 from 7.82 MnT in FY 2011-12.
- Focused on increasing in more Regular customers by entering into MOUs that shielded the Company and allowed it to have a continuous off-take. The year saw an addition of almost 50% more customers through MoU route which led to increase in the sales volume.
- Increased focus on retail market, through first-of-its-kind distribution network (JSW Shoppes), accounted for 25% of the total domestic sales. The number of JSW Shoppes increased to 400 as on March 31, 2013 from 350 as on March 31, 2012.

Other income (₹ in crores)

	2012-13	2011-12	Change	Change %
Other Income	261	179	82	46%

Other income for the year increased by ₹ 82 crores, due to increase in Interest Income to ₹ 222 crores in FY 2012-13 from ₹ 138 crores in FY2011-12.

Cost of Materials Consumed (₹ in crores)

	2012-13	2011-12	Change	Change %
Cost of materials consumed	22,590	20,960	1,630	8%

The Company's expenditure on raw materials increased by 8% to ₹ 22,590 crores in FY 2012-13 from ₹ 20,960 crores in FY 2011-12. The increase was largely due to 15% growth in crude steel production which led to rise in raw material consumption. However there is reduction in the price of coal compared to FY 2011 - 12.

Employee remuneration and benefits (₹ in crores)

	2012-13	2011-12	Change	Change %
Employees Remuneration and Benefits	671	626	45	7%

Increase in employee remuneration and benefits were mainly due to increase in salary. The Company employed about 9,574 employees as on March 31, 2013, compared to 9,522 employees.

Manufacturing and other expenses (₹ in crores)

	2012-13	2011-12	Change	Change %
Other Expenses	6,084	5,126	958	19%

Power consumption, a 17% increase from last year, amounting to ₹ 280 crores, rose on account of 15% increase in crude steel production. Increase in other costs mainly related to higher consumption of stores and spares (amounting to ₹ 233 crores) and repairs & maintenance (amounting to ₹ 146 crores), due to increase in scale of operations.

Increased volume of sales along with change in destination mix of steel produced led to increase in carriage and freight cost by 33% (amounting to ₹ 303 crores).

Finance Cost (₹ in crores)

	2012-13	2011-12	Change	Change %
Finance Cost	1,724	1,186	538	45%

Long-term Interest was higher in FY 2012-13 by ₹ 538 crores, mainly due to interest cost pertaining to HSM2 phase 2, Beneficiation plant phase 2 and 3.2 MTPA expansion project, charged to revenue account post capitalisation.

Depreciation and amortisation (₹ in crores)

	2012-13	2011-12	Change	Change %
Depreciation and amortisation	1,974	1,708	266	16%

Depreciation increased by 16% to ₹ 1,974 crores in FY 2012-13 from ₹ 1,708 crores in FY 2011-12 mainly due to capitalisation of HSM 2 phase 2, Beneficiation Plant phase 2, during the year and capitalisation of the 3.2 MTPA expansion project in September 2011.

Exceptional items

(₹ in crores)

	2012-13	2011-12	Change	Change %
Exchange Loss (net)	367	821	(454)	-55%

Due to the significant movement and volatility in the value of rupee against US dollar, the net foreign exchange loss has been considered by the Company as exceptional in nature.

Fixed Asset

(₹ in crores)

	2012-13	2011-12	Change	Change %
Tangible assets	27,604	27,072	532	2%
Intangible assets	34	19	15	79%
Capital work-in-progress	5,034	2,477	2,557	103%
Intangible assets under development	41	27	14	52%
Total	32,713	29,594	3,119	11%

Gross Block increased during the year mainly due to capitalization of the following projects:

- Beneficiation Plant phase 2
- Hot Strip Mill 2
- Colour Coated line 1

Non Current Investments

(₹ in crores)

	2012-13	2011-12	Change	Change %
Investments	4,496	4,212	284	7%

Additional infusion of Equity capital (including conversion from Share application) in Subsidiaries / JVs amount to ₹ 323 crores.

Long-term loans and advances

(₹ in crores)

	2012-13	2011-12	Change	Change %
Long-term loans and advances	3,084	2,651	433	16%

Loans and Advances increased by ₹ 433 crores to ₹ 3,084 crores in FY 2012-13 from ₹ 2,651 crores in FY 2011-12. The increase was mainly due to increase in Minimum Alternative Tax credit entitlement of ₹ 294 crores.

Inventories

(₹ in crores)

	2012-13	2011-12	Change	Change %
Raw Materials	1,687	2,380	(693)	-29%
Work-in-Progress	287	507	(220)	-43%
Semi Finished / Finished Goods	1,921	1,466	455	31%
Production Consumables and Stores & Spares	904	827	77	9%
Total	4,799	5,179	(380)	-7%

The average inventory holding in terms of number of days, as on March 31, 2013 was 60 days vis-a-vis 72 days as on the same date last year.

Trade receivables

(₹ in crores)

	2012-13	2011-12	Change	Change %
Trade receivables	1,862	1,285	577	45%

Increase in debtors is mainly due to increase in Domestic Sales and customer base. The average debtors, i.e. collection period, in terms of number of days, as on March 31, 2013 was 18 days, compared to 15 days as on the same date last year.

Short-term loans and advances

(₹ in crores)

	2012-13	2011-12	Change	Change %
Short-term loans and advances	6,119	4,441	1,678	38%

Short term loans and advances increased during the year mainly on account of infusion of funds in subsidiary.

Non-current Long-term Borrowings

(₹ in crores)

	2012-13	2011-12	Change	Change %
Non-current Long-term borrowings	15,434	11,528	3,906	34%

Non-current Long-term borrowings increased due to loan drawal of USD 225 million for the repayment of FCCB Bonds and loan drawal for CRM 2 and 2 MTPA expansion project.

Short-term Borrowings

(₹ in crores)

	2012-13	2011-12	Change	Change %
Short-term borrowings	1,110	774	336	43%

Short-term borrowings increased to ₹ 1,110 crores in FY 2012-13 from ₹ 774 crores in FY 2011-12 due to increase in volumes and resultant working capital requirement.

Trade payables (₹ in crores)

	2012-13	2011-12	Change	Change %
Trade payables	9,274	9,184	90	1%

Trade payables marginally increased during the year by 1%.

Other current liabilities (₹ in crores)

	2012-13	2011-12	Change	Change %
Other current liabilities	4,874	7,183	(2,309)	-32%

Other current liabilities decreased to ₹ 4,874 in FY 2012-13 from ₹ 7,183 crores in FY 2011-12. This decline was mainly due to the decrease in current maturities of long-term debt on account of the redemption of FCCB bonds in FY 2012-13.

Capital employed

Total capital employed increased by 10% to ₹ 41,296 crores as on March 31, 2013, from ₹ 37,440 crores as on the same date last year.

Return on capital employed declined to 11.7 % in FY 2012-13 from 11.9% in FY 2011-12. This is expected to correct in the future, due to growing scale of operations and funds invested in expansion of ongoing projects that are to generate returns from next year onwards.

Own funds

Net worth increased to ₹ 19,937 crores as on March 31, 2013, from ₹ 18,497 crores as on the same date last year. This was due to plough-back of operational surplus into the business to fund the Company's future growth initiatives. Return on net worth was registered at 9.3% in FY 2012-13. Book value improved to ₹ 881 as on March 31, 2013 from ₹ 817 as on the same date last year.

Reserves: Reserves and surplus increased to ₹ 19,374 crores as on March 31, 2013, from ₹ 17,934 crores as on March 31, 2012.

8. CONSOLIDATED FINANCIAL PERFORMANCE

The Company's consolidated financial statements include the financial performance of the following Subsidiaries, Joint Ventures and Associates.

Subsidiaries:

i. JSW Steel (Netherlands) B.V.
ii. JSW Steel (UK) Limited
iii. Argent Independent Steel (Holdings) Limited
iv. JSW Steel Service Centre (UK) Limited
v. JSW Steel East Africa Limited .
vi. JSW Steel Holding (USA) Inc.
vii. JSW Steel (USA) Inc.
viii. Periama Holdings, LLC
ix. Purest Energy, LLC
x. Meadow Creek Minerals, LLC
xi. Hutchinson Minerals, LLC
xii. R.C. Minerals, LLC
xiii. Keenan Minerals, LLC
xiv. Peace Leasing, LLC
xv. Prime Coal, LLC
xvi. Planck Holdings, LLC
xvii. Rolling S Augering, LLC
xviii. Periama Handling, LLC
xix. Lower Hutchinson Minerals, LLC
xx. Caretta Minerals, LLC
xxi. JSW Panama Holdings Corporation
xxii. Inversiones Eroush Limitada
xxiii. Santa Fe Mining
xxiv. Santa Fe Puerto S.A.
xxv. JSW Natural Resources Limited
xxvi. JSW Natural Resources Mozambique Limitada
xxvii. JSW ADMS Carvo Lda
xxviii. JSW Mali Resources S.A
xxix. JSW East Africa Limited
xxx. JSW Steel Processing Centres Limited
xxxi. JSW Bengal Steel Limited
xxxii. JSW Natural Resources India Limited
xxxiii. Barbil Beneficiation Company Limited
xxxiv. JSW Energy (Bengal) Limited
xxxv. JSW Jharkhand Steel Limited
xxxvi. JSW Building Systems Limited
xxxvii. Amba River Coke Limited
xxxviii. JSW Steel Coated Products Limited

Joint Ventures:

i. Vijayanagar Minerals Private Limited
ii. Rohne Coal Company Private Limited
iii. Geo Steel LLC
iv. JSW Severfield Structures Limited
v. JSW Structural Metal Decking Limited
vi. Gourangdih Coal Limited
vii. JSW MI Steel Service Center Private Limited

Associates:

i. Jindal Praxair Oxygen Company Private Limited
ii. JSW Ispat Steel Limited

The Company reported a Consolidated Gross Turnover, Net Turnover, EBIDTA and PAT of ₹ 41,463 crores, ₹ 38,095 crores, ₹ 6,504 crores and ₹ 963 crores, respectively.

9. RESEARCH AND DEVELOPMENT & INNOVATION

Overview

At JSW Steel, Research and Development (R&D) has played an important role towards the organisation's evolution over the years. The Company has laid special emphasis towards plant performance improvement (PPI), development of new processes and products, energy conservation and waste utilisation. Along with Vijayanagar, JSW Steel has extended the focus of R&D to its other locations through its R&D sub-centres.

CONTRIBUTION OF R&D OVER THE YEARS

- Covered the entire spectrum of processes, including iron ore beneficiation, pelletisation and sintering of iron ore, iron making in Corex and blast furnace, steel making, hot and cold rolling
- Developed new processes with a focus on recycling of wastes, such as coal fines, mill scale and other iron bearing wastes by agglomerating these materials into briquettes; besides, the granulated BOF slag is utilised in cement making
- Promoted industry-academic partnership through collaborative projects with India's leading academic and research institutes, like NML Jamshedpur, IIT Bombay, IIT Madras, and National Research Centre for Agro-forestry (NRCAF), among others.

Patent filed

- Dynamic separator (DSDS) for stage-wise dynamic mineral separation.
- Continuous desilconisation and desulphurisation of hot metal process.
- Treating high Mn (> 0.5 %) hot metal in LD converter process.
- Stage-wise beneficiation of medium to high grade banded hematite quartzite process.
- An injection lance for desulphurisation of hot metal by injecting reagents, along with carrier gas and a process thereof.
- Producing iron ore pellet with improved quality and increased production and a system thereof.
- Reduction in generation of blast furnace sinter return fines by optimising the sinter process parameters.
- Devolatilisation catalyst for devolatilisation of coals and a process for the manufacture of coke with improved CRI and CSR values of coke using such catalyst.
- Sintering process using steel making slag as hearth layer in sinter plant for insulation
- Ladle preheating method, involving a heat exchanger for preheating of air for combustion using flue gas.
- Preheating combustion air method for tundish and a system thereof.
- Sinter production process involving improved bed permeability and sinter productivity using granular burnt lime.

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- Spreadsheet model to predict the impact of iron bearing feed quality on BF.
- Estimation of metal and slag weight in trough-shaped tundish.
- Spreadsheet model to predict lime quality.
- Skull loss prediction in trough-shaped tundish.

Publication of technical papers

As many as 12 research works have been published in reputed journals and their proceedings have been mentioned in national and international conferences.

Future prospects

- Increase focus on beneficiation of low-grade iron ores as well as banded hematite quartzite (BHQ) ores.
- Focus on high-end line pipe steels, dual phase and IF steels.
- Initiate plant performance improvements by developing expertise in physical and mathematical simulation.
- Commission new embossing line for Appliance grade.
- Develop high-gloss PPGI for refrigerator door panel for import substitution.
- Develop high tensile grade GI with zero and suppressed spangles.
- Develop PPGI as per Restriction of Hazardous Substances (RoHS) directives

10. MATERIAL PROCUREMENT, MATERIAL HANDLING AND LOGISTICS

Overview

Material movement, both inbound and outbound, is critical for ensuring the timely receipt and delivery of raw materials and finished products. The majority of material is transported by rail. Inward material such as iron ore, coal, limestone and dolomite, are primarily moved in rakes. JSW has in place a robust logisitics management infrastructure to manage large volumes.

Exhibit 11: Production and handling

Total Raw Material Receipts	%
By Rail	78
By Road	22

Initiatives and achievements, 2012-13

- Facilities commissioned during the year included:
  - Two wagon tipplers handling two wagons in tandem were commissioned in April 2012, the first of its kind in India.
  - Two Stackers cum Reclaimers also installed for new yards.
  - Online conveyors for sinter return fines from BF 3 and 4 and sinter shifting.
- Decrease in the number of trucks carrying raw material allowed a decline in internal shifting cost due to addition of new facilities.
- Cost rationalisation was achieved through online sinter and coke route connectivity.
- Several modification projects were carried out during the year. These included:
  - Increased the capacity of six conveyors.
  - Modification carried out in Equipment and Conveyor chutes to reduce spillages.
  - Modified the Bucket Wheel assembly in-house to increase the availability and reliability of Stacker cum Reclaimer.
  - Installed Drag Chain System initiated at Track Hoppers to avoid damages to the trailing cable.
  - Variable voltage variable frequency (VVVF) drive commissioned in primary crushers to ensure smooth running without disturbing the running conveyors.
  - Motor Control Centre (MCC) 2 modified to segregate the motor feeders to ensure availability of power to Conveyors for unloading raw materials.

11. ENERGY MANAGEMENT

Overview

At JSW, energy management plays an important role towards the successful functioning of plant operations. The energy management procedure involves collection and recycling of hot air and processing of gases to minimise fossil fuel consumption. The flagship Vijayanagar plant minimises pollution by utilising waste heat, process gas and solid waste to generate power.

Considering the volatility in fuel costs, JSW has put in place a compact energy management programme as given below:

Gas Management: Constructed pipelines for transferring the gases from the point of generation to the point of consumption.

Steam Management: Constructed boilers of different capacities and pressures for steam generation to meet the requirements of BFs, coke ovens and RHD gas generation, among others.

Fuel Management: Uses LPG as a basic fuel in slab cutting at the SMS. The dedicated energy management department manages the complex's LPG supply.

Special Gases Management: Appointed a special gas management team to supervise the supply of special gases, like oxygen, nitrogen and argon.

Hot Air Management: JSW efficiently utilises hot air to produce the energy required to transform iron ore to molten iron. Hot air is combined with coke to produce an exothermic reaction, generating huge amounts of energy, and thus, eliminating the need of an external fire source.

CAPACITY OF POWER GENERATION FROM WASTE GASES AT VIJAYANAGAR

- **118 MWPH of power can be generated from 1,50,000 Nm^3 of mixed gases.**
- **38 MWPH of power can be generated from 1,10,000 Nm^3 of BF gas from CPP III and IV.**
- **69 MWPH of power can be generated from 2,00,000 Nm^3 of BF gas.**
- **95 MWPH of power can be generated from 2,00,000 Nm^3 of DRI gas.**

Initiatives and achievements, 2012-13

- Stabilised the boosters through innovative modifications to achieve desired configurations

Strategic Review
Resilience and Growth
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- Efficiently utilised the waste gases, which were otherwise being flared off by creating a gas ring interconnecting Gas Machine Stations, HSM II and CRM I
- Modified the blast furnace to use compressed gas instead of costly nitrogen gas, leading to cost savings.
- Modified the Captive Power Plants III and IV to dual fired system, that is both coal and gas fired, to reduce the cost as well as utilise the surplus to generate power.
- Installed two LPG bullets of 18 tonnes each through a long-term arrangement with another company, which will install, operate and maintain the bullets.
- Installed high pressured gas boosters for converting lower pressured gases to high pressured one, which is then fed to pellet and lime plants.
- Reduced specific energy consumption.
- Reduce flaring of Corex gas generated.
- Stabilised Energy Management Centre's operations.
- Achieved real-time information on calorific value of gas and its flow.
- Installed waste heat recovery system.

Future prospects

- Commissioning three 20 TPH gas-fired boiler (CRM II).
- Commissioning 70 TPH waste heat recovery system at the sinter plants; the waste heat will be captured from the processes.
- To import two 60,000 gas boosters from the US.

12. MARKETING

Overview

Despite a challenging business environment, JSW Steel managed to beat the industry performance. Dedicated efforts of the marketing team have yielded positive results for the Company. The volumes and gross revenues increased 14% and 12%, respectively. The other factors that led to this growth include:

- Increased focus on retail market through the first-of-its-kind distribution network, JSW Shoppe, which accounted for 25% of total domestic sales excluding semis.
- Received major product approvals from the clients.
- Penetrated the unexplored markets of the Middle East, Southeast Asia, Africa and South America, as Europe and the US were not performing to their potential;
- Increased its share with the existing customers, and developed new grades to widen the customer base and maintain sustainable customer relations.
- Added almost 50% more customers through the MoU route resulting in volume increase.

Flat products (Hot-rolled and cold-rolled products)

JSW Steel continued to focus on the sale of value-added steel. The joint venture with JFE has further allowed the Company to address the opportunities in the auto segment.

Initiatives and achievements, 2012-13

Received product approvals from major auto players such as Toyota, Ford, Ashok Leyland, Hyundai, GM, Maruti Suzuki, Mahindra etc.

Future prospects

- Enter in the market for CRCA products, which are currently imported.
- More focus on the consumer durables market

Coated products

JSW Steel's downstream units located at Vasind & Tarapur are engaged in the manufacturing of coated products. Galvanised, Galvalume & Pre-Painted corrugated, profile and plain sheets are offered in this segment. While the corrugated and profile sheets cater to roofing and construction areas, plain sheets find application in sectors such as consumer durables, automotive, solar panels and such. For the project and construction segment, Galvalume is a preferred product due to distinct advantages and is manufactured at Tarapur. The products are marketed under different brands like JSW Vishwas, JSW Vishwas Plus, JSW Colour on and JSW Colour on Plus.

Initiatives and achievements, 2012-13

- Added colour coating production capacity in Tarapur to meet the increasing colour coated products demand.
- Preferred supplier for prestigious projects by Indian Railways, Airport Authorities, Stadiums, Grain Silols etc.
- Developed grades for galvanised exports.

Future prospects

- Enhancing service delivery capability of JSW Shoppe through branded service centres with focus on pre-painted products.
- Adding one more colour coated line to meet the long-term requirement of catering to the demands of industrial sheds, commercial buildings, individual roofing and housing areas

- Developing new deep drawing/forming grades for galvanised exports (new lines are being added for the purpose).
- Increasing sales of colour-coated products to the US, Europe, South America and Russia.
- Developing new products/grades in collaboration with customers.
- Building solar panel structures with high-coated galvanised steel.

Long products

This segment provides the customers with TMT bars, wire rods and special steels manufactured at the Vijayanagar and Salem units. These products find huge replacement demand from the secondary market. Increasing importance of quality and the advent of the BIA certifications are expected to drive the demand for these products further. The recent capacity expansion at Salem will help the Company meet the additional requirements of the special steel, which will be generated from the automobile segment.

Future prospects

- With India's infrastructure and construction sectors expected to drive the demand for TMT and wire rods very high, JSW is planning to increase the sales of these products.
- Strengthen focus on value-added products, like high-strength steel, API grade steel, ultra-low carbon steel, cold rolled auto and electrical steel.

Retail

JSW Steel's key focus areas during the year included expansion of its retail network, increasing geographical reach and penetration and capturing demand in semi-urban and rural regions. The efforts reaped rich dividends.

Initiatives and achievements, 2012-13

- Increased focus on branded products through customer relationship and direct customer connect programmes through shops and enhanced relationships with second-line retailers.
- Organised plant visits for the retailers for a deeper understanding of the requirements.
- Conducted meets for construction engineers and architects.
- Conducted loyalty programmes called Sahyog to enhance customer relations.
- Focussed on opening JSW Shoppes, one in each of the 92 clusters pan-India, to increase sales.

Future prospects

- To establish branded service centres, especially for colour-coated products, to meet the increasing customer aspirations for better quality products; through these service centres, the Company will fulfil the demands of customers looking to shift to colour-coated products from just plain galvanised sheets (pertaining to roofing solutions).
- Set up nodal hub to service customers on a Just-in-time (JIT) basis.

13. RISK MANAGEMENT

The Company follows the Enterprise Risk Management framework set up by Committee of Sponsoring Organisations (COSO) to proactively anticipate and respond to relevant risks and opportunities.

The risks and opportunities are identified and rated (high, medium or low) based on impact, probability of occurrence and velocity. Responses are discussed at respective locations. Relevant risks are discussed at corporate meeting for cohesive view. The Risk Committee of Directors, consisting of all Executive Directors and three Independent Directors, review the framework and the risks from a macro perspective.

Risk management aims to ensure timely and prudent decisions to:

- Maximise positive impacts of opportunities.
- Minimise negative impacts of risks.
- Convert risks into opportunities.

Various risks affecting the Company's capability to meet needs of change and growth are regularly reviewed. These risks may relate to:

- External macroeconomic uncertainties affecting demand.
- Market volatilities (price/interest/exchange rates) affecting margins.
- Global systemic risks affecting liquidity and credit.
- Raw material security, logistics and other factors affecting operations.
- Technology, products and services affecting technical capabilities, customer loyalty and competitive edge.
- Environment.
- Competencies, systems and processes.

In the fast changing economic environment, the framework provides platform to rise above present issues and functional priorities to:

- Ensure risk ownership and communication to develop cohesive and balanced view on response

- Develop better visibility for timely anticipation of emerging scenario.
- Embed prudence in decision making through stress testing of assumptions.
- Consider macro-economic linkages, interdependencies and root causes.
- Reflect on stakeholder feedback to align strategy with reality and needs.
- Plan business continuity to manage disasters and other uncontrollable external risks.
- Review events and lessons learnt to manage the business more effectively in future.
- Minimise vulnerability through proactive planning, insurance, due diligence and so on.

14. HUMAN RESOURCES

Overview

JSW views its employees as its greatest asset and has created a work environment that ensures their well-being. The Company endeavours to be an "employer of choice", by fostering an environment of individual goal setting, continuous improvement, health and safety awareness and corporate sustainability.

JSW's talent pool is an assortment of varied qualifications and experiences in the domains of engineering, management and finance.

Human Resource Policy

JSW's Human Resource policies are created in a bottom-up approach, i.e. it is first rolled out at a Company level and then integrated at a Group level. These policies address the changing needs of people in a dynamic business environment. Credible, transparent and uniform people management practices are benchmarked against industry best practices to acquire and retain the best talent, while nurturing and developing the skill set of each employee.

JSW focuses on creating a fair workplace for its human capital. Human Resource policies at the Company are geared towards providing equal access to supply and opportunities without discrimination.

Safety

At JSW, safety is a way of life and providing a safe and hygienic workplace is the Company's priority.

The management is responsible for training and supervising employees on safety procedures and healthcare, informing them on relevant hazards and providing them with necessary appliances. It is also responsible for the Company's compliance with statutory provisions on health and safety. The Company constantly strives to achieve its goal of reaching "zero harm injuries". This pursuit of excellence in safety enables the Company to continuously improve occupational health and safety management to attain benchmarked global standards.

Initiatives and achievements, 2012-13

Training & Development

JSW enhances employee productivity by continuously investing in training and development. To build a leadership pipeline and help employees contribute, the Company creates a highly motivating and learning environment.

JSW has put a multi-pronged approach on organisational development in place to attract, retain and develop people and emerge as a Future-Ready company. The Company believes in building people capabilities and inducts Graduate and Diploma Engineers from reputed engineering institutes across India.

JSW creates managerial and functional training opportunities for all its employees. The Company believes in developing a fully competent workforce, which can help meet organisational goals effectively and efficiently. To achieve this, the Company organises various functional, technical and behavioural training programmes throughout the year.

The Company continuously invests in building and enhancing technical capabilities through various national and international training programmes. During last year, the Company sponsored approximately 200 technical personnel to attend such programmes in countries, such as Japan, the US, Australia, Brazil, the UAE and so on.

Simultaneously, the Company also provides multiple learning and development opportunities to its employees to acquire new skills and knowledge and enhance their capabilities. Some of the efforts in these directions are:

- Management Development Programme at the Indian Institute of Management, Ahmedabad, for selected high-potential employees to enhance their business acumen. An inaugural batch of 70 senior managers completed the programme.
- Value Selling programme was organised for sales personnel.

HR Awards and Recognitions

The Company has received the "Strong Commitment to HR Excellence" award from CII at its Third National HR Conclave 2012.

Future prospects

As the industry environment changes, there is an increased need to build a quality talent pool. JSW will continue to work towards creating a world-class workforce.

15. INFORMATION TECHNOLOGY

Overview

At JSW, information technology plays a key role to synchronise key business processes. It allows the Company to function smoothly with a standardised work approach across all its Indian units. Some of the important priorities include:

- Strengthen management reporting by establishing robust MIS reports and KPIs to enable centralised information and robust decision making.
- Re-engineer and align business processes across locations, in line with leading practices, and create centralised process repository.
- Ensure accelerated implementation through SAP-based processes.
- Ensure standardised data management across all the locations
- Focus on change management to ensure ownership and sustenance of the overall solution.

Initiatives and achievements, 2012-13

- Facilities at Salem, Vasind and Tarapur have gone live with IT integration.
- Consolidated the total number of processes to 155 from 288.
- Identified key processes, such as Finance & Controlling, Material Management, Plant Maintenance & Project Systems, among others, for further harmonisation.
- Integrated and automated attendance with SAP.
- Implemented the SAP Enterprise Resource Planning (ERP) system as a Private Cloud to provide common services to JSW Group and strengthen the Governance.
- Operationalised the Master Data Management (MDM) Cell to ensure data quality and Governance across JSW Group, as well as improve the life cycle value of JSW customers and vendors, irrespective of whether the Vendor / customer is used in JSW Group's one or more businesses.
- A number of processes were automated using a JAVA Platform. These included:
  - Process manufacturing execution system for BF and upstream processes (including auxiliary units and pushes) for all seven process units at Salem.
  - Plant command centre automation at Vijayanagar allowing real-time viewing of all facilities.
  - Wagon tippler automation at Vijayanagar to weigh incoming material for six tipplers
  - Process execution system automation for steel making upstream process at Vijayanagar.

Future prospects

- Facilities at Vijayanagar will go live with the IT integration
- Advanced Planning Solution from Broner to be implemented to optimise line / product level scheduling
- Lab Information Management System (LIMS) to be integrated across locations

16. INTERNAL CONTROL SYSTEMS AND AUDIT

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies. Some significant features of this system are:

- Adequate documentation of policies, guidelines, authorities and approval procedures covering all the important functions of the Company.
- Deployment of an ERP system, which covers most of its operations, and is supported by a defined on-line authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.

- De-risking the Company's assets/ resources and protecting them from any loss.
- Ensuring the integrity of the accounting system, and confirming the proper and authorised recording and reporting of all transactions.
- Preparing and monitoring annual budgets for all operating and service functions.
- Ensuring a reliability of all financial and operational information.
- Audit Committee of the Board of Directors, comprising Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards and so on.
- A comprehensive Information Security Policy and continuous upgradation of IT Systems.

The internal control systems and procedures are designed to assist in:

- Risk identification and management
- Procedure-led verification of all compliance
- Enhance control consciousness

Internal audit

The Company has an internal audit function that inculcates global best standards and practices into Indian operations. The strong internal audit department comprises over 25 executives reporting to the Audit Committee, which consists of Independent / Nominee Directors who are experts in their field. The Company's Internal Audit Department has received an ISO 9001:2008 certification.

The Company successfully integrated the Treadway Commission's COSO (Committee of Sponsoring Organisations) framework with its audit process to enhance the quality of its financial reporting, compatible with business ethics, effective controls and governance.

The Company extensively practices delegation of authority across its team. This creates effective checks and balances to arrest all possible gaps within the system. The internal audit team has access to all information in the organisation, largely facilitated by pan-organisational ERP implementation.

Audit plan and execution

The Company's Internal Audit Department has prepared a risk-based audit plan. The frequency of audit is decided by risk ratings of areas / functions. The audit plan is carried out by the internal team.

Addition to the audit plan: The audit plan is reviewed periodically to include areas, which have assumed significant importance in line with the emerging industry trend and the Company's aggressive growth. In addition, the Audit Committee also relies on internal customer feedback and other external events to include different areas into the audit plan.

Forward looking and Cautionary Statements:

Certain statements in this release concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition within Steel Industry including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our internal operations, reduced demand for steel, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which – has made strategic investments, withdrawal of fiscal governmental incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2012-13

(Pursuant to Clause 49 of the Listing Agreements entered into with the Stock Exchanges)

1. COMPANY'S GOVERNANCE PHILOSOPHY:

Corporate Governance at JSW Steel Limited has been a continuous journey and the business goals of the Company are aimed at the overall well-being and welfare of all the constituents of the system. The Company has laid a strong foundation for making Corporate Governance a way of life by constituting a Board with a balanced mix of experts of eminence and integrity, forming a core group of top level executives, inducting competent professionals across the organization and putting in place best systems, process and technology. The Company combines leading edge technology and innovation with superior application and customer service skills.

At the heart of Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

Your Company confirms the compliance of Corporate Governance as contained in Clause 49 of the Listing Agreement, the details of which are given below:

2. BOARD OF DIRECTORS:

2.1 Appointment and Tenure:

The Directors of the Company (except Nominee Directors) are appointed by the shareholders at General Meetings. All Directors except Nominee Directors are subject to retirement by rotation and at every Annual General Meeting, 1/3rd of such Directors as are liable to retire by rotation, if eligible, generally offer themselves for re- election, in accordance with the provisions of Sections 256 and 257 of the Companies Act, 1956 and that of the Articles of Association of the Company.

The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

2.2 Board Membership Criteria:

Matching the needs of the Company and enhancing the competencies of the Board are the basis for the Nomination Committee to select a candidate for appointment to the Board. When recommending a candidate for appointment, the Nomination Committee assesses the appointee against a range of criteria including age, experience, relationships, diversity of gender, background, professional skills and personal qualities required to operate successfully in the position.

2.3 Composition, Meetings and attendance record of each Director:

The Company has a balanced mix of Executive and Non-Executive Independent Directors. As at 31.03.2013, the Board of Directors comprises of 14 Directors, of which 10 are Non-Executive. The Chairman is Executive and a Promoter of the Company. The number of Independent Directors is 8 which is in compliance with the stipulated one half of the total number of Directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

No Director is related to any other Director on the Board in terms of the definition of "relative" given under the Companies Act, 1956.

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he /she is a Director. The necessary disclosures regarding committee positions have been made by the Directors.

The information as required under Annexure 1A to Clause 49 of the Listing Agreement is being made available to the Board.

The details of composition of the Board as at 31.03.2013, the attendance record of the Directors at the Board Meetings held during the financial year 2012-13 and at the last Annual General Meeting (AGM), as also the number of Directorships, Committee Chairmanships and Memberships held by them in other Companies are given here below:

Category	Name of Director	Position	Date of Joining the Board	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM	No. of Directorships in other Indian Public Limited Cos.	No. of Chairmanship(s)/ Membership(s) of Committees in other Indian Public Limited Cos**	
								Chairmanship(s)	Membership(s)
Executive Directors	Mr. Sajjan Jindal	Chairman & Managing Director	15.03.1994	5	5	Yes	8	--	--
	Mr. Seshagiri Rao M. V. S.	Jt. Managing Director & Group CFO	06.04.1999	5	5	Yes	1	--	--
	Dr. Vinod Nowal	Director & CEO	30.04.2007	5	5	Yes	2	--	--
	Mr. Jayant Acharya	Director (Commercial & Marketing)	07.05.2009	5	5	Yes	4	-	2
Non-Executive Independent Directors	Mr. Uday M. Chitale	Director	20.10.2005	5	5	Yes	6	2	4
	Mr. Anthony Paul Pedder	Director	18.04.2005	5	4	Yes	0	--	--
	Mr. Sudipto Sarkar	Director	09.05.2005	5	4	Yes	7	--	5
	Dr. S. K. Gupta	Director	25.04.1994	5	5	Yes	6	2	5
	Mr. K. Vijayaraghavan	Director	16.06.2008	5	4	Yes	0	-	-
	Dr. Vijay Kelkar	Director	20.01.2010	5	3	Yes	7	1	3
Non-Executive Non-Independent Directors	Mr. Yasushi Kurokawa	Nominee of JFE Steel Corporation, Japan (Equity Investor & Foreign Collaborator)	16.05.2011	5	4	Yes	0	--	--
Nominee Director	Mrs. Zarin Daruwala	Nominee of ICICI Bank Limited (Lender)	13.12.2005	5	2	No	2	--	1
	Part of the Year								
Non-Executive Non-Independent Directors	Dr. Rajneesh Goel I.A.S (ceased to be a Director w.e.f October 5, 2012)	Nominee of KSIIDC (Equity Investor)	17.11.2011	3*	2	No	--	--	--
	Dr. Sandeep Dave (ceased to be a Director w.e.f Dec 5, 2012)	-do-	05.10.2012	1*	1	NA#	--	--	--
	Mr. P. B. Ramamurthy IAS	-do-	05.12.2012	1*	0	NA#	6	--	--
Non-Executive Independent Director	Mrs. Punita Kumar Sinha	Additional Director	28.10.2012	2*	2	NA#	--	--	--

Notes:

1. During the Financial Year 2012-13, five Board Meetings were held and the gap between two meetings did not exceed four months. Board Meetings were held on 14.05.2012, 26.07.2012, 01.09.2012, 28.10.2012 and 28.01.2013.
2. *No. of Board Meetings indicated is with reference to date of appointment or cessation of the Director.
3. **Only two Committees, namely, Audit Committee and Shareholders'/Investors' Grievance Committee have been considered.
4. #Not a Director at the time of last AGM.

2.4 Board Meetings, Board Committee Meetings and Procedures:

A. Institutionalised decision making process

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the stakeholders are being served. The Chairman and Managing Director is assisted by the Executive Directors/ Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted twelve Standing Committees, namely Audit Committee, Project Review Committee, Shareholders/ Investors Grievance Committee, Remuneration Committee, Finance Committee, Nomination Committee, Risk Management Committee, Business Responsibility/ Sustainability Reporting Committee, ESOP Committee, Share Allotment Committee, Share/ Debenture Transfer Committee and JSWSL Code of Conduct Implementation Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

B. Scheduling and selection of Agenda Items for Board meetings

i. A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. The Agenda along with the explanatory notes are sent in advance to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.

ii. The meetings are usually held at the Company's Registered Office at Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai 400 026.

iii. All divisions/departments of the Company are advised to schedule their work plans well in advance, with regard to matters requiring discussion/ approval/ decision at the Board/ Committee meetings. All such matters are communicated to the Company Secretary in advance so that the same can be included in the Agenda for the Board/Committee Meetings.

iv. In addition to items which are mandated to be placed before the Board for its noting and/or approval, information is provided on various significant items.

v. The Board is given presentations covering Global Steel Scenario, Economy, Company's Financials, Sales, Production, Business Strategy, Subsidiary performance and Risk Management practices before taking on record the Quarterly/Half yearly/Nine Monthly/ Annual financial results of the Company.

C. Distribution of Board Agenda Material

Agenda and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

D. Recording Minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/Chairman of the next meeting.

E. Post Meeting Follow-up Mechanism

The Company has an effective post meeting follow up, review and reporting process mechanism for the decisions taken by the Board/ Committees. The important decisions taken at the Board / Committee meetings are communicated to the concerned Functional Heads promptly. Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee members.

F. Compliance

While preparing the Agenda, Notes on Agenda, Minutes etc. of the meeting(s), adequate care is taken to ensure adherence to all applicable laws and regulations including the Companies Act, 1956 read with the Rules made thereunder.

2.5 Meetings of Independent Directors:

The Independent Directors of the Company meet at such intervals as they deem appropriate without the presence of Executive Directors or management personnel. These meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to the affairs of the Company and put forth their views to the Chairman and Managing Director.

2.6 Training of Board Members:

The Company believes that the Board be continuously empowered with the knowledge of the latest developments in the Company's business and the external environment affecting the industry as a whole. To this end, the Directors were given presentations on the global business environment, as well as all business areas of the Company including business strategy, risks opportunities. Monthly updates on performance/developments giving highlights of performance of the Company during each month including the developments/ events having impact on the business of the Company are also sent to all the Directors.

2.7 Mechanism for evaluating non-executive Board Members:

Informal performance evaluation of non-executive directors is done by a peer group comprising the entire Board of Directors, excluding the non-executive directors being evaluated; and this evaluation is the mechanism to determine whether to extend /continue the terms of appointment of the non-executive directors.

3. AUDIT COMMITTEE:

The Audit Committee comprises of four Non-Executive Directors, all of whom are Independent Directors. Mr. Uday M. Chitale is the Chairman of the Audit Committee. The Members possess adequate knowledge of Accounts, Audit, Finance, etc. The composition of the Audit Committee meets with the requirements of Section 292A of the Companies Act, 1956 and of Clause 49 of the Listing Agreement.

The broad terms and reference of Audit Committee are:

a. To review the financial statements before submission to the Board;

b. To review reports of the Management Auditors and Internal Auditors;

c. To review the weaknesses in internal controls reported by Internal and Statutory Auditors;

d. To review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

e. To approve the appointment of the Chief Financial Officer (CFO);

f. In addition, the powers and role of the Audit Committee are as laid down under clause 49 II C and D of the Listing Agreement and Section 292A of the Companies Act, 1956.

9 meetings of the Audit Committee were held during the financial year 2012-13, as against the minimum requirement of four meetings. The Committee meetings were held on 14.05.2012, 21.06.2012, 26.07.2012, 27.09.2012, 27.10.2012, 04.01.2013, 28.01.2013, 13.02.2013 and 26.03.2013.

The Constitution of the Committee as at 31.03.2013 and the attendance of each Member are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings Attended
1	Mr. Uday M. Chitale Chairman	Non-Executive Independent Director	9/9
2	Dr. S. K. Gupta Member	Non-Executive Independent Director	8/9
3	Mr. Sudipto Sarkar Member	Non-Executive Independent Director	6/9
4.	Mr. K. Vijayaraghavan Member	Non-Executive Independent Director	9/9

The Jt. Managing Director & Group CFO, Dy. Managing Director, Director (Commercial & Marketing), Chief Financial Officer, Accounts Heads of each Unit, Vice President (Internal Audit), the Company Secretary and the representatives of the Statutory Auditors attend the Audit Committee meetings. The representatives of Management Auditors attend the

Audit Committee Meeting whenever matters relating to management audit are considered. The Company Secretary is the Secretary of the Audit Committee.

Mr. Uday M. Chitale, Chairman of the Audit Committee was present at the last Annual General Meeting held on 25.07.2012.

4. REMUNERATION COMMITTEE:

The Remuneration Committee, which is a non-mandatory requirement of Clause 49 of the Listing Agreement, was constituted on 27.03.2002.

The terms of reference of the committee are as follows:

i. To determine on behalf of the Board and on behalf of the Shareholders, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

ii. To approve the payment of remuneration to Managerial Personnel as per the Policy laid down by the Committee.

The Remuneration Committee met twice during the financial year 2012-13 on 13th May 2012 and on 27th October 2012.

The composition of the Remuneration Committee as at 31.03.2013 and attendance of each member at the committee meetings are as given below:

Sl. No.	Name of the Members	Category	No. of Meetings Attended
1	Dr. S. K. Gupta Chairman	Non-Executive, Independent Director	2/2
2	Mr. Uday M Chitale Member	Non-Executive, Independent Director	2/2
3	Mr. Anthony Paul Pedder Member	Non-Executive, Independent Director	2/2
4.	Mr. K. Vijayaraghavan Member	Non-Executive, Independent Director	2/2

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

4.1 Remuneration Policy and Details of Remuneration paid to Directors:

The Remuneration Committee recommends the remuneration package for the Executive Directors (ED) of the Board. In framing the remuneration policy, the Committee takes into consideration the remuneration practices of companies of similar size and stature, the Industry Standards and competitive circumstances of each business so as to attract and retain quality talent and leverage performance significantly.

The Executive Directors' compensation is based on the appraisal system wherein their individual goals are linked to the organizational goals. ED are paid compensation as per the agreements entered into between them and the Company, subject to the approval of the Board and of the members in General Meeting and such other approvals, as may be necessary.

The present remuneration structure of ED comprises of salary, perquisites, allowances, performance linked incentive, ESOPs and contributions to PF and Gratuity.

The Non-Executive Directors are paid remuneration by way of Commission and Sitting fees. The commission payable to the Non-Executive Directors is based on the number of meetings of the Board attended by them, their Chairmanship / Membership of Audit Committee during the year subject to an overall ceiling of 1% of the net profits approved by the Members. The Company pays sitting fees at the rate of ₹ 20,000/-for each meeting of the Board and sub-committees attended by them.

The details of remuneration paid / payable to the Non-Executive Directors for the period 1st April 2012 to 31st March 2013 is as follows:

Sr. No.	Name	Sitting fees @ ₹ 20,000/- per meeting	Commission Payable (F.Y.13) (inclusive of service tax) (₹ in lakhs)	Total (₹ in lakhs)
1	Dr. S K Gupta	6.29	23.03	29.32
2	Mr. Uday M Chitale	5.67	23.60	29.27
3	Dr. Vijay Kelkar	0.62	22.22	22.84
4	Mr. Anthony Paul Pedder	2.40	22.47	24.87
5	Mr. Sudipto Sarkar	1.90	23.03	24.93
6	Mr. K. Vijayaraghavan	5.84	23.03	28.87
7	Mrs. Punita Kumar Sinha	0.45	9.40	9.85
8	Mrs. Zarin Daruwalla (Nominee ICICI Bank Limited)	0.42#	19.10#	19.52#
9	Dr. Rajneesh Goel, I.A.S (Nominee KSIIDC)*	0.40 #	20.22 #	20.84#
	Dr. Sandeep Dave, IAS (Nominee KSIIDC)*	0.22 #		
	Mr. P.B.Ramamurthy, IAS (Nominee KSIIDC)	0.00 #		
10	Mr. Yasushi Kurokawa (Nominee JFE Steel Corporation)*	1.75#	22.47#	24.22#

*Ceased to be director

Payable to the respective Institutions they represent.

The Details of Remuneration paid /payable to the Whole-time Directors for the financial year 2012-13 is as given below:

Name of Director and Designation	Salary including Provident Fund (₹ in Crores)	Perks (₹ in Crores)	Profit linked Commission (₹ in Crores)	Total	Period of Contract	Notice Period
Mr. Sajjan Jindal Chairman & Managing Director	6.94	0.77	12.54	20.25	From 07.07.2012 To 06.07.2017	NA
Mr. Seshagiri Rao M.V.S Jt. Managing Director & Group CFO	3.47	0.14	Nil	3.61	From 06.04.2009 to 05.04.2014	3 months from either side or salary in lieu thereof.
Dr. Vinod Nowal Director & CEO	2.59	0.11	Nil	2.70	From 30.04.2012 to 29.04.2017	3 months from either side or salary in lieu thereof.
Mr. Jayant Acharya Director (Commercial & Marketing)	2.23	0.10	Nil	2.33	From 07.05.2009 to 06.05.2014	3 months from either side or salary in lieu thereof.
TOTAL	15.23	1.12	12.54	28.89		

Note: The above figures exclude provision for leave encashment and contribution to the approved Group Gratuity Fund, which are actuarially determined for the Company as a whole.

Shareholding of the Non-Executive Directors in the Company as on 31.03.2013:

None of the Non-Executive Directors other than those named below hold any shares in the Company:

Sl. No.	Director	No. of equity shares of ₹ 10/- each held
1	Dr. S. K. Gupta	4500

5. SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Shareholders/Investors Grievance Committee comprises of 3 Non-Executive Directors all of whom are Independent Directors.

The terms of reference of the Committee are as follows:

a) To review the reports submitted by the Registrars and Share Transfer Agents of the Company at half yearly intervals.

b) To periodically interact with the Registrars and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the Investor grievances redressal system.

c) To follow-up on the implementation of suggestions for improvement, if any.

d) To periodically report to the Board about serious concerns, if any.

The Shareholders /Investors Grievance Committee met twice during the financial year 2012-13 on 27.09.2012 and on 26.03.2013. The constitution of the committee and the details of the meetings attended by the Members are as given below:

Sl. No.	Name of the Director	Category	No. of Meetings Attended
1.	Mr. K. Vijayaraghavan Chairman	Non-Executive Independent Director	2/2
2.	Dr. S. K. Gupta Member	Non-Executive Independent Director	2/2
3.	Mr. Uday M. Chitale Member	Non-Executive Independent Director	2/2

Mr. Lancy Varghese, the Company Secretary is the Compliance Officer for complying with the requirements of SEBI Regulations and the Listing Agreement with the Stock Exchanges in India. His address and contact details are as given below:

Address : The Enclave, Behind Maratha Udyog Bhavan, New Prabhadevi Road, Prabhadevi, Mumbai 400 025

Phone : 022-6783 8000

Fax : 022-6784 8651

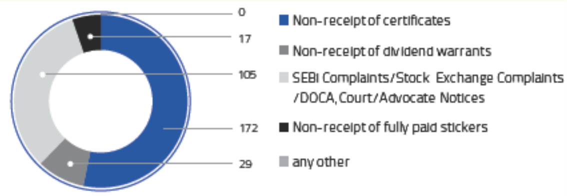
Email : jswsl.investor@jsw.in

Investor Grievance Redressal

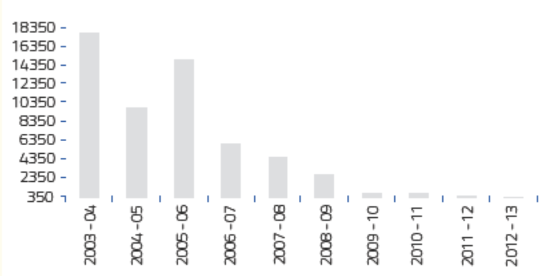
Number of complaints received and resolved to the satisfaction of Shareholders / Investors during the year under review and their break-up is as under:

No. of Shareholders' Complaints received during the year ended 31.03.2013	:	323
Number not solved to the satisfaction of Shareholders	:	0
No. of pending Complaints as on 31.03.2013	:	0
No. of pending share Transfers as on 31.03.2013	:	49*

* There were no share transfers pending for registration for more than 15 days as on the said date.



No. of Complaints Received



Note: Complaints pertaining to the years subsequent to 2004-05 include investor complaints received from shareholders of Jindal Iron & Steel Co. Limited and Southern Iron & Steel Co. Limited upon its merger with the Company in the financial years 2004-2005 & 2007- 2008 respectively.

6. OTHER MAJOR COMMITTEES OF DIRECTORS:

In addition to the above referred Committees which are constituted pursuant to the Corporate Governance Code, the Board has constituted the following major Committees of Directors and delegated thereto powers and responsibilities with respect to specific purposes. Time schedule for holding the meetings of such Functional Committees are finalized in consultation with the Committee Members:

1.	PROJECT REVIEW COMMITTEE		
	Terms of reference of the Committee	**Composition**	**Frequency of Meetings**
	1. To closely monitor the progress of Large Projects, in addition to ensuring a proper and effective co-ordination amongst the various project modules essentially with the objective of timely project completion within the budgeted project outlay. 2. To review new strategic initiatives.	1. Mr. Anthony Paul Pedder (Chairman), Non-Executive Independent Director 2. Dr. Vinod Nowal Executive Director 3. Dr. S.K.Gupta, Non-Executive Independent Director 4. Mr. K.Vijayaraghavan, Non-Executive Independent Director 5. Mr. Y. Kurokawa Nominee Director (JFE Steel Corporation)	Four meetings were held on 13.05.2012, 25.07.2012, 27.10.2012 and 27.01.2013.
2.	**RISK MANAGEMENT COMMITTEE**		
	Terms of reference of the Committee	**Composition**	**Frequency of Meetings**
	1. To periodically review risk assessment and minimisation procedures to ensure that, Executive Management controls risk through means of a properly defined framework. 2. To review major risks and proposed action plan.	1. Dr. S.K.Gupta (Chairman) Non-Executive Independent Director 2. Mr. Seshagiri Rao MVS, Executive Director 3. Mr. Jayant Acharya Executive Director 4. Mr. Uday.M. Chitale Non-Executive Independent Director 5. Mr. K.Vijayaraghavan, Non-Executive Independent Director	Four meetings were held on 25.07.2012, 27.09.2012, 04.01.2013 and 26.03.2013.

	The Risk Management Committee, a sub-committee of the Board has further constituted:		
	i. "Capex Risk Evaluation Committee" to evaluate the risks associated with capex proposals including mergers and acquisitions.		
	ii. Locational Committees namely (a) Corporate Locational Committee (b) Upstream Locational Committee (c) Downstream Locational Committee and (d) Salem Locational Committee to further review risk assessment at Locational Level.		
3.	**NOMINATION COMMITTEE**		
	Terms of reference of the Committee	**Composition**	**Frequency of Meetings**
	To consider Nomination of persons to be inducted on the Board	1. Mr. Sajjan Jindal (Chairman), Executive Director 2. Mr. Uday M. Chitale, Non-Executive, Independent Director 3. Mr. Anthony Paul Pedder, Non-Executive, Independent Director	Need based. One meeting was held on 28.10.2012.
4.	**FINANCE COMMITTEE**		
	Terms of reference of the Committee	**Composition**	**Frequency of Meetings**
	1. To approve availing of credit / financial facilities of any description from Banks / Financial Institutions/ Bodies Corporate within the limits approved by the Board. 2. To approve investments and dealings with any monies of the Company upon such security or without security in such manner as the committee may deem fit, and from time to time to vary or realise such investments within the frame work of the guidelines laid down by the Board. 3. To open new Branch Offices of the Company, to declare the same as such under section 2(9) of the Companies Act, 1956 and to authorise personnel by way of Power of Attorney or otherwise, to register the aforesaid branches and to deal with various authorities such as the Central Excise, Profession Tax, Commercial Tax, State & Central Sales Tax, VAT Authorities and other Local Authorities. 4. To make loans to Individuals /Bodies Corporate and/or to place deposits with other Companies/Firms upon such security or without security in such manner as the committee may deem fit within the limits approved by the Board. 5. To open Current Account(s), Collection Account(s), Operation Account(s), or any other Account(s) with Banks and also to close such accounts, which the 'said Committee' may consider necessary and expedient.	1. Mr. Sajjan Jindal (Chairman), Executive Director 2. Mr. Seshagiri Rao MVS, Executive Director 3. Dr. Vinod Nowal, Executive Director 4. Mr. Jayant Acharya, Executive Director	Need based. Meetings were held on 11.04.2012, 27.04.2012, 18.05.2012, 06.06.2012, 08.06.2012, 13.06.2012, 18.06.2012, 20.06.2012 ,02.07.2012, 30.07.2012, 10.08.2012, 06.09.2012, 24.09.2012,17.10.2012 29.10.2012, 09.11.2012, 30.11.2012, 10.12.2012, 29.12.2012, 11.01.2013, 18.01.2013, 04.02.2013, and 19.03.2013.
5.	**ESOP COMMITTEE**		
	Broad Terms of reference of the Committee	**Composition**	**Frequency of Meetings**
	i) To issue any direction to the trustees of the JSWSL Employees Welfare Trust to sell, transfer or otherwise dispose off any Shares held by them and to make necessary amendments to the Trust Deed, if need be.	1. Mr. Seshagiri Rao MVS, (Chairman) Executive Director. 2. Dr. Vinod Nowal, Executive Director. 3. Mr. Jayant Acharya, Executive Director	Need based. Two meetings were held on 25.07.2012 and 06.02.2013.
	ii) To determine the number of Options to be granted to each employee and in the aggregate, and the time at which such Grant shall be made,		
	iii) To decide the Exercise Price.		
	iv) To determine the vesting and/or lock-in-period of the Grant, the employees eligible for participation in the Plan, the performance parameters for Grant and / or Vesting of Options granted to an Employee, under the Plan, Exercise Period within which the Employee should exercise the Options		
	v) To assess the performance of an Employee for granting / determining the Vesting of the Options.		
	vi) To lay down the conditions under which Options vested in Employees may lapse in case of termination of employment for fraud, misconduct or where an Employee joins competition etc.		
	vii) To specify time period within which the Employee shall Exercise the Vested Options in the event of termination or resignation of an Employee.		
	viii) To lay down the procedure for cashless exercise of Options, if any.		

Apart from the above Committees, the Board has constituted the "Business Responsibility/ Sustainability Reporting Committee":

JSW is fundamentally committed to sustainable business and the 9 principles of National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business it has been pursuing in spirit while reporting on GRI framework assured by third party independently on International Standards for Assurance Engagements (ISAE) 3000. The polices in the context of these principles given on the Company's website www.jsw.in, have been approved by the Board in its meeting held on 28.01.2013 and a Committee of Board comprising of three Independent Directors and three Executive Directors are overseeing the same, quarterly. The Chief Sustainability Officer (CSO) implements the sustainability oversight reporting and Grievance Redressal Mechanism.

The Terms of reference of the Business Responsibility/Sustainability Reporting Committee are as follows:

- Responsible for the adoption of 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) in business practices of JSW Steel.
- Responsible for the policies created for or linked to the 9 key principles of the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'.
- Review the progress of initiatives under the purview of business responsibility (sustainability) polices mentioned above.
- Review business responsibility reporting disclosures on a pre-decided frequency (monthly, quarterly, bi-annually).
- Review the progress of business responsibility initiatives at JSW Steel.
- Review the annual business responsibility report and present it to the Board for approval.

The committee met twice during the financial year 2012-13 on 04th January 2013 and on 26th March 2013.

The constitution of the committee and the details of the meetings attended by the Members are as given below:

Sl. No.	Name of the Director	Category	No. of Meetings attended
1.	Dr. S.K. Gupta (Chairman) DIN No. 00011138 Tel. No. 08025599074 saibalkgupta@gmail.com	Non-Executive Independent Director	2/2
2.	Mr. Seshagiri Rao MVS DIN No. 00029136 Tel. No. 23513000 seshagiri.rao@jsw.in	Executive Director	2/2
3.	Dr. Vinod Nowal DIN No. 00046144 Tel. No. 0835-250120 vinod.nowal@jsw.in	Executive Director	2/2
4.	Mr. Jayant Acharya DIN No. 000106543 Tel. No. 23153000 jayant.acharya@jsw.in	Executive Director	2/2
5.	Mr. Uday Chitale DIN No. 00043268 Tel. No. 22651186 uday@mpchitale.com	Non-Executive Independent Director	2/2
6.	Mr. K. Vijayaraghavan DIN No. 00544730 Tel. No. 040-30160232 vijay@sathguru.com	Non-Executive Independent Director	2/2

7. GENERAL BODY MEETINGS:

A. Annual General Meetings:

The details of date and time of the Annual General Meetings (AGMs) of the Company held during the preceding three years, at Birla Matushri Sabhagar,19, New Marine Lines, Mumbai 400 020 and the Special Resolutions passed there at are as under:

AGM	Date	Time	Special Resolutions Passed
16th AGM	29.06.2010	11.00 am	Payment of Commission not exceeding in the aggregate, one percent of the net profits of the Company to Non-Executive Directors of the Company for a period of five years from the financial year commencing from 1st April 2010, in addition to the sitting fees and reimbursement of expenses incurred.
17th AGM	25.07.2011	11.00 am	-
18th AGM	25.07.2012	11.00 am	-

B. Extra Ordinary General Meetings:

The details of date, time and venue of the Extra General Meetings (EGMs) of the Company held during the preceding three years and the Special Resolutions passed thereat are as under:

EGM – Date & Time	Venue	Special Resolutions Passed
02.06.2010 – 11.00 am	Birla Matushri Sabhagar, 19 Marine Lines, Mumbai 400 020	To approve the issue of upto 1,75,00,000 Warrants convertible into Equity Shares of the Company to Sapphire Technologies Limited, a promoter group company on a preferential basis.
26.08.2010 – 11.00 am	Patkar Convocation Hall of S.N.D.T Women's University, 1, Nathibai Thackersey Road, New Marine Lines, Mumbai 400 020.	To create, offer, issue and allot either Equity Shares or a Fully Convertible Debenture of the Company representing not more than 14.99% of the paid up equity share capital of the Company to JFE Steel Corporation, Japan, on a preferential basis.
Court Convened Meeting of the Equity Shareholders & Preference Shareholders		
30.01.2013 – 10.30 am and 12.30 pm respectively.	YB Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021	Pursuant to the order dated 20th December 2012 of the Hon'ble High Court of Judicature at Mumbai for approving the Composite Scheme of Amalgamation and Arrangement amongst JSW Ispat Steel Limited and JSW Building Systems Limited and JSW Steel Coated Products Limited and JSW Steel Limited and their respective shareholders and creditors.

C. Special Resolutions passed through Postal Ballot during 2012-13:

No special resolution was passed through Postal Ballot during 2012-13. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

8. DISCLOSURES:

i. There were no materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their relatives or Subsidiaries etc. which could conflict with the interests of the Company.

ii. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

iii. The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures, which are periodically reviewed.

9. WHISTLE BLOWER POLICY:

The Whistle Blower Policy (WBP) adopted by the Company in line with Clause 7 of Annexure 1D to Clause 49 of the Listing Agreement, which is a non-mandatory requirement, encourages all employees, officers and directors to report any suspected violations promptly and intends to investigate any good faith reports of violations. The Whistle Blower Policy specifies the procedure and reporting authority for reporting unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.

WBP also provides safeguards against victimization or unfair treatment of the employees who avail of the mechanism and no personnel has been denied access to the Audit Committee.

10. SUBSIDIARY MONITORING FRAMEWORK:

All the Subsidiary Companies of the Company are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. As a majority shareholder, the Company nominates its representatives on the Boards of subsidiary companies and monitors the performance of such companies, inter alia, by the following means:

a) A copy of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries (along with Exception Reports and quarterly Compliance Certificates issued by CEO/CFO/CS are tabled before the Company's Board, quarterly).

b) A summary of the Minutes of the Meetings of the Board of Directors of the Company's subsidiaries are circulated to the Company's Board, quarterly.

c) A statement containing all significant transactions and arrangements entered into by the subsidiary companies is placed before the Company's Board.

11. MEANS OF COMMUNICATION:

Timely disclosure of consistent, comparable, relevant and reliable information on corporate financial performance is at the core of good governance. Towards this end:

a) **Quarterly/Half Yearly/ Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.

b) **Publication of Quarterly/Half Yearly/ Nine Monthly/ Annual Results:** The Quarterly, Half Yearly, Nine Monthly and Annual Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State of Maharashtra where the Registered Office of the Company is situated.

The quarterly financial results during the financial year 2012-13 were published in The Financial Express and Navshakti News Papers as detailed below:

Quarter (F.Y. 2012-13)	Date of Board Meeting	Date of publication
1	26.07.2012	27.07.2012
2	28.10.2012	29.10.2012
3	28.01.2013	29.01.2013
	13.02.2013*	14.02.2013

*consolidated results

c) **Monthly production figures and other press releases:** To provide information to Investors, monthly production figures and other press releases are sent to the Stock Exchanges as well as displayed on the Company's website before it is released to the media.

d) **Website:** The Company's website www.jsw.in contains a separate dedicated section "Investor Relations" where information for shareholders is available. The Quarterly/ Annual Financial Results, Annual Reports, Analysts Presentations, Investor Forms, Stock Exchange Information, Shareholding Pattern, Corporate Benefits, Investors' Contact details, etc., are posted on the website in addition to the information stipulated under Clause 54 of the Listing Agreement. The latest official press releases are also available on the website.

e) **Presentations to Analysts:** Five presentations were made to analysts/investors during the F.Y. 2012-2013 on 14.05.2012, 26.07.2012, 01.09.2012, 29.10.2012 and 28.01.2013, The same are available on the Company's website. The Presentations broadly covered operational and financial performance of the Company and industry outlook.

f) **Corporate Filing and Dissemination System (CFDS) Filing:** As per the requirements of Clause 52 of the Listing Agreement, all the data relating to financial results, shareholding pattern etc. have been electronically filed on the Corporate Filing and Dissemination System (CFDS) portal, www.corpfiling.co.in, within the time frame prescribed in this regard.

g) **NSE Electronic Application Processing System (NEAPS):** NEAPS is a web based application designed by NSE for corporates. The Shareholding pattern and Corporate Governance Report are also filed electronically on NEAPS.

h) **Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Business Responsibility / Sustainability Report, Auditor's Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

i) **Chairman's Communiqué:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings. The same is also placed on the website of the Company.

j) **Reminder to Investors:** Reminders for unpaid dividend/unpaid interest on debentures are sent to the Shareholders/Debenture holders as per records at appropriate intervals.

12. GENERAL SHAREHOLDERS INFORMATION:

12.01 Annual General Meeting:

Date and Time	:	30.07.2013 at 11.00 a.m.
Venue	:	Y B Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400021, Maharashtra.
Dates of Book Closure	:	17th July 2013 to 19th July 2013 (both days inclusive)
Dividend	:	Payment Date 02.08.2013

12.02 Financial Calendar 2013-14:

First quarterly results	:	July, 2013
Second quarterly results	:	October, 2013
Third quarterly results	:	January, 2014
Annual results for the year Ending on 31.03.2014	:	May, 2014
Annual General Meeting For the Year 2014	:	July, 2014

12.03 Corporate Identity Number (CIN):

The CIN of the Company allotted by the Ministry of Corporate Affairs, Government of India is L27102MH1994PLC152925.

12.04 Listing on Stock Exchanges:

The Company's Equity Shares & 10% Cumulative Redeemable Preference Shares are listed on the following Stock Exchanges in India:

BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra-Kurla Complex,
Bandra East, Mumbai 400 051

The following Secured Redeemable Non-Convertible Debentures of the Company are listed on the BSE:

Sl. No.	Description	Face Value
01.	11.82 % Secured Redeemable Non-Convertible Debentures	₹ 10 Lakhs each
02.	11.82% Secured Redeemable Non-convertible Debentures	₹ 10 Lakhs each
03.	10.10% Secured Redeemable Non-convertible Debentures	₹ 10 Lakhs each
04.	10.10% Secured Redeemable Non-convertible Debentures	₹ 10 Lakhs each
05.	10.25% Secured Redeemable Non-convertible Debentures	₹ 10 Lakhs each
06.	10.60% Secured Redeemable Non-convertible Debentures	₹ .10 Lakhs each
07.	10.60% Secured Redeemable Non-convertible Debentures	₹ 10 Lakhs each
08.	11% Secured Redeemable Non-convertible Debentures	₹ .10 Lakhs each
09.	10.34% Secured Redeemable Non Convertible Debentures.	₹ 10 Lakhs each

The Company has paid Annual Listing Fees as applicable, to the BSE and the NSE for the financial years 2012-13 and 2013-14.

Stock Code:

BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
Equity	Preference	Debentures	Equity	Preference	Debentures
500228	700085	934657	JSWSTEEL	JSWSTEEL	N.A
		945781			
		946540			
		946594			
		945893			
		946364			
		946501			
		947905			
		948841			

ISIN No. for Dematerialisation of listed Shares and Debentures:

Equity	:	INE019A01020
Preference:	:	INE019A04016
Debentures	:	INE548G07014 - 11.82% NCDs of ₹ 10 Lakhs each
		INE710B07011 - 11.82% NCDs of ₹ 10 Lakhs each
		INE019A07175 - 10.10% NCDs of ₹ 10 Lakhs each
		INE019A07191 - 10.10% NCDs of ₹ 10 Lakhs each
		INE019A07126 - 10.25% NCDs of ₹ 10 Lakhs each
		INE019A07167 - 10.60% NCDs of ₹ 10 Lakhs each
		INE019A07183 - 10.60% NCDs of ₹ 10 Lakhs each
		INE019A07233 - 11.00% NCDs of ₹ 10 Lakhs each
		INE019A07241 – 10.34% NCDs of ₹ 10 Lakhs each

Debenture Trustees:

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17th R.Kamani Marg
Ballard Estate, Mumbai – 400001

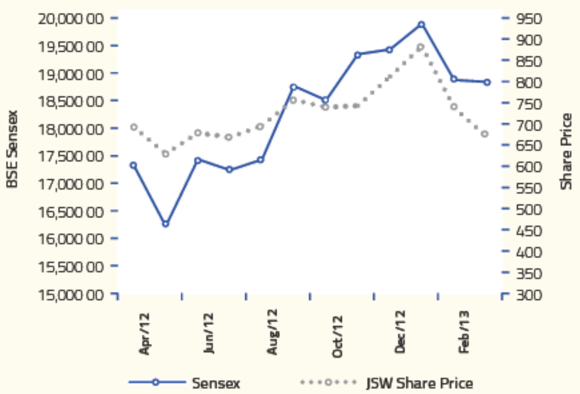
AXIS Bank Limited
Regd. Office: Sakar 1, Ground Floor,
Off Ashram Road, Ahmedabad 380 009
Central Office: 13th floor, Maker Tower 'F',
Cuffe Parade, Colaba, Mumbai – 400 005

12.05 Market Price Data:

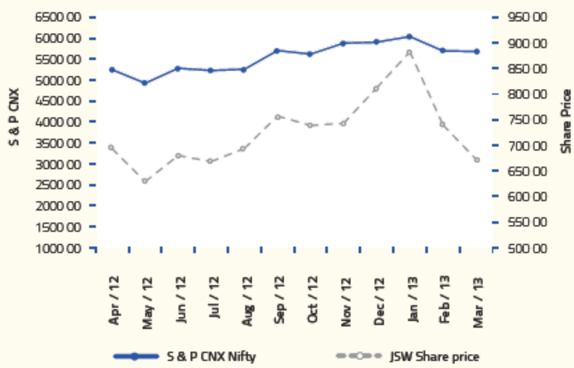
The monthly high /low market price of the shares and the quantities traded during the year 2012-13 on BSE Limited and National Stock Exchange of India Limited are as under:

Month	BSE Ltd			National Stock Exchange of India Ltd		
	Month's High Price (In ₹ Per share)	Month's Low Price (In ₹ Per share)	No. of shares traded	Month's High Price (In ₹ Per share)	Month's Low Price (In ₹ Per share)	No. of shares traded
April 2012	771.90	665.00	8039429	771.00	664.20	35434974
May 2012	735.40	566.00	13433950	735.400	566.10	54952845
June 2012	686.00	580.80	8242268	699.00	580.40	36939608
July 2012	733.55	636.40	7256235	733.70	632.00	33805524
August 2012	758.00	665.40	5580124	758.80	665.15	28837016
September 2012	767.10	640.00	6241317	767.45	651.45	30630335
October 2012	781.95	719.15	4341609	794.65	718.05	22251547
November 2012	772.00	695.15	2161220	772.00	694.00	13786898
December 2012	831.15	725.55	3188502	831.40	724.80	18428145
January 2013	893.75	815.00	4315894	939.40	817.05	23762648
February 2013	884.00	729.15	2762492	884.00	728.50	14072290
March 2013	759.00	588.45	3647292	762.30	579.85	19903269

12.06 Performance of Share Price in comparison to BSE Sensex:



12.07 Performance of Share Price in comparison to S&P CNX Nifty:



12.08 Percentage change in comparison to Broad Based indices –Sensex and Nifty as on March 31, 2013:

Financial Year	JSW Share Price- %	Sensex – %	JSW Share Price -%	Nifty -%
2012-13	85.03	108.23	85.24	104.00
2011-12	86.09	89.50	86.01	93.66
2010-11	78	111	77	111
2009-10	533	181	530	174
2008-09	-71.17	-38.44	-71.57	-36.13
2007-08	65.99	18.21	66.18	23.88
2006-07	63.01	13.22	62.78	12.31
2005-06	-16.04	42.33	-16.45	67.14

12.09 Registrar & Share Transfer Agents:

Karvy Computershare Private Limited
Plot No.17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad - 500 081
Phone : 040 - 23420815-824 (10 lines)
Fax : 040 - 23420814
E-mail : einward.ris@karvy.com
Website : www.karvy.com

12.10 Share Transfer/Transmission System:

Requests for Transfer/Transmission of Shares held in physical form can be lodged with Karvy Computershare Private Limited at the above mentioned address. The requests are normally processed within 15 days of receipt of the documents, if documents are found in order. Shares under objection are returned within two weeks.

SEBI has vide its circular dated 7th January 2010 made it mandatory to furnish a copy of PAN Card in the following cases for transmission of shares in physical form:

a. Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.

b. Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.

c. Transposition of shares in case of change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

The Board has delegated the authority for approving transfers, transmissions etc. of the Company's securities to the Share/Debenture Transfer Committee. The decisions of Share/Debenture Transfer Committee are placed at the next Board Meeting. The Company obtains from a Company Secretary in Practice, a half yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

12.11 Distribution of Shareholding:

The distribution of shareholding by size as on 31.03.2013 is given below:

Sl. No	No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
1	1 - 500	472925	99.28	11033893	4.95
2	501 - 1000	1771	0.37	1265538	0.57
3	1001 - 2000	747	0.16	1056602	0.47
4	2001 - 3000	208	0.04	513249	0.23
5	3001 - 4000	90	0.02	321576	0.14
6	4001 - 5000	70	0.01	324356	0.15
7	5001 - 10000	144	0.03	1002201	0.45
8	10001 - 20000	91	0.02	1299812	0.58
9	20001 and above	286	0.06	206299973	92.46
	TOTAL	**476332**	**100.00**	**223117200**	**100.00**

12.12 Shareholding Pattern:

	As on 31.03.2013			As on 31.03.2012		
Category	**No. of Holders**	**No. of Shares**	**% of holding**	**No. of Holders**	**No. of Shares**	**% of holding**
Promoters	76	84893075	38.05	72	84544635	37.89
NRI	8658	2867257	1.29	9167	2886998	1.29
FII	286	43842602	19.65	277	45719425	20.49
OCB	5	37650	0.02	5	37650	0.02
FBC	4	44287203	19.85	3	41686265	18.68
IFI	6	5898106	2.64	12	8355206	3.74
IMF	60	2784293	1.25	64	764214	0.34
Banks	24	1280675	0.57	29	1396320	0.63
Employees	1606	82844	0.04	1648	88096	0.04
Bodies Corporate	2332	12894391	5.78	2616	11596275	5.2
Public	460665	18838705	8.44	485222	18220511	8.17
Trust	11	4998331	2.24	10	3224506	1.45
HUF	2598	411607	0.18	2827	1994992	0.89
GDR	0	0	0.00	1	2600938	1.17
Transit A/C	1	461	0.00	1	1169	0
Total	**476332**	**223117200**	**100.00**	**501954**	**223117200**	**100**

12.13 Top 10 Shareholders as on 31.03.2013:

Sl. No	Name	Shares	%
1	JFE Steel International Europe B.V.	36068518	16.17
2	Jindal South West Holdings Limited	17284923	7.75
3	JSW Energy Investments Private Limited	13764364	6.17
4	JSW Investments Private Limited	7284261	3.26
5	JSW Power Trading Company Limited	7003835	3.14
6	Duferco Coke Investments Limited	5035241	2.26
7	Nalwa Sons Investments Ltd	4548637	2.04
8	Nirmal Kumar Jain (Trustee)	4450452	1.99
9	Mavi Investment Fund Limited	4417000	1.98
10	Life Insurance Corporation Of India	4175363	1.87

12.14 Geographical Distribution of Shareholders as on 31.03.2013:

		Physical Holders			Electronic Holders			Total Shareholders		
Sr. No.	City	Cases	Shares	%	Cases	Shares	%	Cases	Shares	%
1	AGRA	1836	14721	0.34	1061	29260	0.01	2897	43981	0.02
2	AHMEDABAD	9289	112681	2.58	9921	452837	0.21	19210	565518	0.25
3	BANGALORE	6560	542028	12.39	7832	2119706	0.97	14392	2661734	1.19
4	CALCUTTA	7927	119808	2.74	9171	838512	0.38	17098	958320	0.43
5	CHANDIGARH	1791	17587	0.40	1399	49054	0.02	3190	66641	0.03
6	CHENNAI	5410	89501	2.05	6622	2183481	1.00	12032	2272982	1.02
7	COIMBATORE	4541	146521	3.35	3287	608529	0.28	7828	755050	0.34
8	GANDHI NAGAR	3654	26139	0.60	2535	60812	0.03	6189	86951	0.04
9	GHAZIABAD	1432	13709	0.31	1220	35345	0.02	2652	49054	0.02
10	HISSAR	2643	40751	0.93	1268	4661016	2.13	3911	4701767	2.11
11	HOWRAH	1319	18302	0.42	1479	51768	0.02	2798	70070	0.03
12	HYDERABAD	3843	55820	1.28	4214	247562	0.11	8057	303382	0.14
13	INDORE	2093	19152	0.44	1647	61692	0.03	3740	80844	0.04
14	JAIPUR	4149	35881	0.82	3358	117779	0.05	7507	153660	0.07
15	JAMNAGAR	1896	14292	0.33	1092	21892	0.01	2988	36184	0.02
16	KANPUR	2944	29496	0.67	1884	83537	0.04	4828	113033	0.05
17	LUCKNOW	2014	19087	0.44	1722	50206	0.02	3736	69293	0.03
18	MEHSANA	2653	15770	0.36	1543	41206	0.02	4196	56976	0.03
19	MUMBAI	25159	640675	14.65	34483	174402650	79.73	59642	175043325	78.45
20	NEW DELHI	23370	309300	7.07	16608	14201579	6.49	39978	14510879	6.50
21	OTHERS	125287	1888640	43.17	85348	17581760	8.04	210635	19470400	8.73
22	PATNA	1630	19445	0.44	979	35928	0.02	2609	55373	0.02
23	PUNE	2929	45127	1.03	4636	230903	0.11	7565	276030	0.12
24	RAJKOT	3069	23498	0.54	2166	85569	0.04	5235	109067	0.05
25	SURAT	4043	33606	0.77	3929	143004	0.07	7972	176610	0.08
26	THANE	2316	38779	0.89	3469	159413	0.07	5785	198192	0.09
27	VADODARA	4829	44104	1.01	4833	187780	0.09	9662	231884	0.10
	TOTAL	**258626**	**4374420**	**100.00**	**217706**	**218742780**	**100.00**	**476332**	**223117200**	**100.00**

12.15 Corporate Benefits to Shareholders:

a) Dividend declared for the last eight years:

Financial Year	Dividend Declaration Date	Dividend Rate (%)
2011-12	25.07.2012	75
2010-11	25.07.2011	122.5
2009-10	29.06.2010	95
2008-09	06.07.2009	10
2007-08	16.06.2008	140
2006-07	13.03.2007	125 (Interim cum Final Dividend)
2005-06	25.07.2006	80
2004-05	10.02.2005	30 (Interim Dividend)
	13.06.2005	80 (Final Dividend including Interim Dividend)

Note – Dates indicated above are date of declaration by the Board in case of Interim Dividend and by Members in case of Final Dividend.

b) Unclaimed Dividends

Under the Companies Act, 1956, dividends that are unclaimed for a period of seven years, are to be transferred statutorily to the Investor Education and Protection Fund (IEPF) administered by the Central Government and thereafter cannot be claimed by the investors. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the concerned investors at appropriate intervals.

The unpaid / unclaimed dividends upto the financial year ended 31.03.1995 had been transferred to the General Revenue Account of the Central Government. The Members, who have not claimed their dividend for the said period till date, may claim the amount from the Registrar of Companies- Mumbai. Apart from the above, the Company has transferred the unpaid dividends upto 31.03.2005 including interim & final dividend for the F.Y. 2004-05 to the IEPF. The Members of the Company who have not yet encashed their dividend warrant(s) for the F.Y. 2005-06 and thereafter may write to the Company's R & T Agent immediately.

Pursuant to Section 205A(5) of the Companies Act, 1956 the unpaid dividends that are due for transfer to the Investor Education and Protection Fund are as follows:

Financial Year	Date of Declaration of Dividend	Percentage of Dividend Declared	Unclaimed Dividend Amount as on 31.03.2013	Due for transfer to IEPF
2005 - 2006	25.07.2006	80%	1,52,68,431.00	31.08.2013
2006 - 2007	13.03.2007	125%	2,14,47,137.00	19.04.2014
2007 - 2008	16.06.2008	140%	2,62,67,158.00	23.07.2015
2008 -.2009	06.07.2009	10%	29,85,879.00	12.08.2016
2009 - 2010	29.06.2010	95%	2,17,55,458.00	05.08.2017
2010-2011	25.07.2011	122.50%	2,72,40,917.00	31.08.2018
2011-2012	25.07.2012	75%	1,48,27,221.00	31.08.2019

Members who have not encashed their dividend warrants pertaining to the aforesaid years may approach the Company or its Registrar, for obtaining payments thereof atleast 20 days before they are due for transfer to the said fund.

12.16 Unclaimed shares:

As per Clause 5A(II) of the Listing Agreement, the Company after sending three reminders on 23rd June 2011, 25th August 2011 and 31st October 2011 to the registered address of the shareholders, requesting for correct particulars to dispatch the undelivered share certificates, for shares issued in physical form which remained unclaimed, transferred 6,65,702 shares to a dedicated demat account styled as "Unclaimed Suspense Account" opened with Stock Holding Corporation of India.

Any corporate benefits in terms of securities accruing on aforesaid shares viz. bonus shares, split etc., shall be credited to the "Unclaimed Suspense Account" duly opened with Vijaya Bank.

As and when the rightful owner of such shares approaches the Company at a later date, the Company shall credit the shares lying in the "Unclaimed Suspense Account" to the rightful owner to the extent of his/her entitlement after proper verification of the identity of the rightful owner.

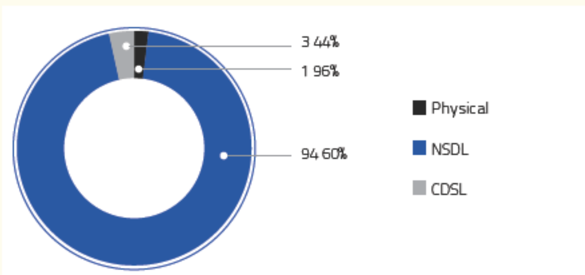
As per Clause 5A(I) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account:

Description	Number of Share Holders	Number of Equity Shares
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2012.	43023	665702
Number of Shareholders who approached issuer for transfer of shares from suspense account during the year ended 31.3.2013	231	9051
Number of shareholders to whom shares were transferred from suspense account during the year ended 31.3.2013	231	9051
Aggregate number of shareholders and the outstanding shares in the suspense account lying as at year ended 31.3.2013	42792	656651

The voting rights on the shares outstanding in the suspense account as on March 31, 2013 shall remain frozen till the rightful owner of such shares claims the shares.

12.17 Dematerialisation of Shares and Liquidity:

The Company has arrangements with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for demat facility. 21,87,42,780 Equity Shares aggregating to 98.04% of the total Equity Capital is held in dematerialised form as on 31.03.2013 of which 94.60% (21,10,74,611 Equity Shares) of total equity capital is held in NSDL & 3.44% (7668169 Equity Shares) of total equity capital is held in CDSL as on 31.03.2013.



12.18 Physical Share Purchase Scheme:

Having regard to the difficulties experienced by the shareholders in disposing of their shares held in physical form and to mitigate the hardship caused to them, the Company has, along with Karvy Computershare Private Limited (Karvy), formulated a Physical Share Purchase Scheme in 2005-06.

The Equity Shares in physical mode tendered by the shareholders under the scheme are sold by Karvy at the prevailing market price and the net sale proceeds thereof are distributed to the concerned shareholders. The shareholders who wish to avail benefit of the scheme may kindly contact Karvy.

12.19 National Electronic Clearing Service (NECS):

As per the directive from Securities and Exchange Board of India dated 21st March, 2013, companies whose securities are listed on the Stock Exchanges shall use any Reserve Bank of India (RBI) approved electronic mode of payment such as ECS [LECS(Local ECS) / RECS(Regional ECS) / NECS(National ECS)] / NEFT etc., for making cash payments to investors.

The Company will remit the dividend payment through National Electronic Clearing Service (NECS) to the shareholders having accounts with Branches of Banks covered under CBS (Core Banking Solution).

Equity Shareholders holding shares in physical form, who wish to avail the NECS facility, may send their NECS mandate in the format attached to the Company's R & T Agents, in the event they have not done so earlier. Equity Shareholders holding shares in electronic mode may furnish their new Bank Account Number allotted to them by their bank after implementation of CBS, alongwith a photocopy of a cheque pertaining to the concerned account, or the NECS mandate to their Depositary Participant (DP), at the earliest.

Green Initiative for Paperless Communications:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode and has issued a circular bearing no.17/2011 dated April 21, 2011 stating that service of documents by a Company to its Members can be made through electronic mode. The move of the ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme and the circular issued by MCA, the Company will continue to send various communications and documents like notice calling general meetings, audited financial statements, directors' report, auditor's report etc., henceforth, in electronic form, to the email address provided by the Members to the Depositories or to the Company.

This is also a golden opportunity for every shareholder of JSW Steel Limited to contribute to this Corporate Social Responsibility initiative of the Company. To support this green initiative in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to fill in the Registration form which can be obtained from Company's Registrar Karvy Computershare Private Limited or downloaded from the Company's website www.jsw.in under the section "Shareholders' Information", and register the same with the Company's Registrar.

12.20 Nomination Facility:

Pursuant to the provisions of Section 109A of the Companies Act, 1956, members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company may submit their requests in Form No. 2B to the Company's Registrar, Karvy Computershare Private Limited. Members holding shares in electronic form may submit their nomination requests to their respective Depository Participants directly. Form No. 2B can be obtained from Company's Registrar Karvy Computershare Private Limited or downloaded from the Company's website www.jsw.in under the section 'Shareholder's Information'.

12.21 Outstanding GDRs/ADRs or Warrants or any Convertible Instrument, conversion dates and likely impact on equity:

FCCBs:

The Company, in accordance with the terms of issue of the Zero Coupon Convertible Bonds of face value US$ 1,00,000 each issued in June 2007, due on June 28, 2012 (the "FCCBs"), has redeemed the FCCBs at 142.801% of the outstanding principal amount of US$ 274.40 million on the due date. The Company has thus fully discharged its obligation towards the holders of these FCCBs, by making the payment totalling to US$ 391,845,944 (inclusive of redemption premium) to the Principal Paying Agent, Citibank, N.A., London. After the above redemption, there are no outstanding FCCBs as on 31.03.2013.

Global Depository Receipts (GDRs):

26,00,938 non-voting, non-transferable Global Depository Receipts representing 26,00,938 underlying shares of the Company i.e. 1.17% of the issued and subscribed share capital, were outstanding as on March 31, 2012.

During the Financial Year 2012-13, JFE Steel Corporation's affiliate i.e. JFE Steel International Europe BV surrendered all of the 26,00,938 GDRs held by it and withdrew the underlying 26,00,938 equity shares.

There are no outstanding GDRs as on 31.03.2013.

12.22 Registered Office:

Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai – 400 026.

12.23 Plant Locations:

Vijayanagar	:	P.O. Vidyanagar, Toranagallu Village, Sandur Taluk, Bellary District, Karnataka – 583 275
Vasind	:	Shahapur Taluk, Thane District, Maharashtra – 421 604.
Tarapur	:	MIDC Boisar, Thane District, Maharashtra 401506
Salem	:	Pottaneri, M Kalipatti Village, Mecheri Post, Mettur Taluk, Salem District, Tamil Nadu 636453.

12.24 Address for Investor Correspondence:

I. Retail Investors

a) For Securities held in Physical form

Registrar & Share Transfer Agents
Karvy Computershare Private Limited
Plot No.17 to 24, Vittalrao Nagar,
Madhapur, Hyderabad - 500 081
Phone : 040 - 23420815-824 (10 lines)
Fax : 040 - 23420814
E-mail : einward.ris@karvy.com
Website : www.karvy.com

b) For Securities held in Demat form

The investor's Depository Participant and / or Karvy Computershare Private Limited

c) JSW Steel Limited - Investor Relation Center

5th Floor, The Enclave,
Behind Marathe Udyog Bhavan,
New Prabhadevi Road, Prabhadevi,
Mumbai-400 025
Phone : +91 22 67848646/649/648
Fax : +91 22 67848651
E-mail : jswsl.investor@jsw.in

II. Institutional Investors

Mr. Pritesh Vinay
Vice President (Capital Markets and Investor Relations),
Jindal Mansion, 5A, Dr. G. DeshmukhMarg,
Mumbai - 400 026
Tel. No. 022- 23513000
Fax No. 022 - 23526400

III. Designated exclusive email-id for Investor servicing: jswsl.investor@jsw.in

IV. Toll Free Number of R & T Agent's exclusive call Centre: 1-800-3454001

V. Web-based Query Redressal System

Web-based Query Redressal System has been extended by the Registrars and Share Transfer Agent for redressal of Shareholders' queries. The Shareholder can visit http://karisma.karvy.com and click on "investors" option for query registration after free identity registration.

After logging in, Shareholders can submit their query in the "QUERIES' option provided on the website, which would give the grievance registration number. For accessing the status/response to their query, the same number can be used at the option "VIEW REPLY" after 24 hours. The Shareholders can continue to put additional queries relating to the case till they are satisfied.

13. CORPORATE ETHICS:

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings. A Code of Conduct for Board Members and Senior Management and a Code of Conduct for Prevention of Insider Trading as detailed below has been adopted pursuant to clause 49 (D) of the Listing Agreement & the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (as amended), respectively:

a) Code of Conduct for Board Members and Senior Management

The Board of Directors of the Company adopted the Code of Conduct for its members and Senior Management at their meeting held on 20.10.2005. The Code highlights Corporate Governance as the cornerstone for sustained management performance, for serving all the stakeholders and for instilling pride of association.

Minor modifications were made to the Code of Conduct and the amended Code of Conduct was adopted by the Board in its meeting held on 24.10.2008

The Code is applicable to all Directors and specified Senior Management Executives. The Code impresses upon Directors and Senior Management Executives to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations towards them. Another important principle on which the code is based is that the Directors and Senior Management Executives shall act in accordance with the highest standards of honesty, integrity, fairness and ethical conduct and shall exercise utmost good faith, due care and integrity in performing their duties. The Code has been posted on the website of the Company www.jsw.in.

Declaration affirming compliance of Code of Conduct:

The Company has received confirmations from the Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review.

A declaration by the Director and CEO affirming compliance of Board Members and Senior Management Personnel to the Code is also annexed herewith.

b) **Code of Conduct for Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its Management, Staff and Directors. The Code lays down guidelines and procedures to be followed and disclosures to be made by Directors, Top Level Executives and Staff whilst dealing in shares of the Company.

Minor modifications were made to the "JSWSL Code of Conduct for Prevention of Insider Trading" in line with the amendments made to the "Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2008, by SEBI. The amended code was adopted by the Board in its meeting held on 07.05.2009.

The policy and the procedures are periodically communicated to the employees who are considered as insiders of the Company. Trading window closure is intimated to all employees in advance, whenever required.

The Company Secretary has been appointed as the Compliance Officer and is responsible for adherence to the Code.

c) **Reconciliation of Share Capital Audit Report**

SEBI has vide its Circular No. CIR/MRD/DP/30/2010 dated 06.09.2010 renamed the 'Secretarial Audit Report' as the 'Reconciliation of Share Capital Audit Report'.

Reconciliation of Share Capital Audit Report in terms of SEBI Directive no. D&CC/FITTC/CIR-16/2002 dated 31.12.2002, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis and is also submitted to the Stock Exchanges where the shares of the Company are listed.

d) **Internal Checks and Balances**

Wide use of technology in the Company's financial reporting processes ensures robustness and integrity. The Company deploys a robust system of internal controls to allow optimal use and protection of assets, facilitate accurate and timely compilation of financial statements and management reports and ensure compliance with statutory laws, regulations and Company policies. The Company has both external and internal audit systems in place. Auditors have access to all records and information of the Company. The Board and the management periodically review the findings and recommendations of the auditors and take necessary corrective actions whenever necessary. The Board recognises the work of the auditors as an independent check on the information received from the management on the operations and performance of the Company.

e) **Legal Compliance of the Company's Subsidiaries**

Periodical Management audit ensures that the Company's Subsidiaries conducts its business with high standards of legal, statutory and regulatory compliances. As per the report of the Management Auditors, there has been no material non-compliance with the applicable statutory requirements by the Company and its subsidiaries.

f) **Human Rights Policy**

Human rights are the Standards of Treatment to which all people are entitled. On December 10, 1948, the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights (UDHR) which is the most widely recognised definition of Human Rights. The Declaration represents a contract between governments and their people, who have a right to demand that this document be respected. The Declaration continues to affirm the inherent human dignity and worth of every person in the world, without distinction of any kind.

Although human rights are principally the responsibility of national governments, this has become an increasingly important issue for business.

In line with JSW's heritage as a responsible corporate citizen and its commitment to respecting the economic, social, cultural, political and civil rights of individuals involved in and impacted by its operations, the Board of Directors in its meeting held on 20.01.2010 has approved a Formal Human Rights Policy for adoption by the Company and all its Subsidiaries as part of its global personnel policies, in line with the practice followed internationally by Companies of Repute. A few minor changes were made to the policy by the Board in its meeting held on 28.01.2013 to bring it in line with the requirements of Business responsibility reporting. JSW's policy on human rights applies to all its businesses processes and is part of its commitment to ethical and socially responsible behavior across its value chain.

JSW contributes to the fulfilment of human rights through compliance with local human rights legislation wherever it has operations, as well as through its policies, programs and grievance addressal mechanism. JSW upholds international human rights standards, does not condone human rights abuses and creates & nurtures a working environment where human rights are respected without prejudice.

Compliance Certificate by Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Clause 49 which is annexed herewith.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31.03.2013.

For **JSW Steel Limited**

Place: Mumbai
Date: 23.05.2013

Dr. Vinod Nowal
Dy. Managing Director

AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the compliance of the conditions of Corporate Governance by JSW Steel Limited for the year ended 31.03. 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Deloitte Haskins & Sells**
Chartered Accountants
Registration No. 117366W

P. B. PARDIWALLA
Partner
Membership No. 40005

Place : Mumbai
Date : 23.05.2013

SUSTAINABILITY REPORT

MESSAGE FROM THE CSO

Dear Stakeholders,

JSW Steel's journey towards sustainable development has been driven by conscious and proactive measures to manage sustainability performance across operations. In line with principles of the National Voluntary Guidelines we have policies in place to streamline our sustainability agenda. We believe this agenda will drive our commitment to sustainability and pave the way towards achieving our goal of a self-reliant India. We continue to address the key aspects of climate change and energy, environmental excellence, intellectual capital management, health and safety, product responsibility and innovation. At the same time, we remain focused on creating a tangible difference in the lives of the people in the areas surrounding our operational facilities.

Paresh Tewary
Chief Sustainability Officer
JSW Steel

For any additional information or to provide feedback on this report, please write to us at paresh.tewary@jsw.in

MANAGING STAKEHOLDER EXPECTATIONS

Regular engagement with different stakeholder groups forms an integral part of our business strategy. Their feedback helps us to update our risk identification, prioritization and management processes. Employees, customers, suppliers, local communities, NGOs, shareholders and financial institutions are our critical stakeholders with whom we engage through a wide range of communication channels. We conduct surveys, organize public hearings and schedule site-visits to gain feedback from them. At the shop floor, we have created initiatives such as 'Soundboard' and 'Voice of the People' to facilitate greater employee interaction so as to enhance our Human Resource systems and policies. In the past year, we have adopted a more systematic approach to our dialogue with stakeholders. With best of our efforts, we strive towards making our stakeholder engagement into an active stakeholder dialogue. Further details on our stakeholder engagement can be accessed through our previous sustainability reports at http://www.jsw.in/Corporate/Corporate_Sustainability_Reports.html#jswcsr

CORPORATE GOVERNANCE

On 13 August 2012, the Securities and Exchange Board of India introduced Clause 55 to the equity listing agreement that mandates Business Responsibility Reporting for top 100 listed entities based on market capitalisation at Bombay Stock Exchange and National Stock Exchange as on 31 March 2012. To address the requirements of Clause 55, the Board of Directors in the meeting held on 28 October 2012 constituted a Sub-Committee of the Board known as the 'Committee for Business Responsibility Reporting' to assess the framework for Business Responsibility Reporting and the BR performance of the Company. The committee comprises the following persons as its Members, the quorum for any meeting being two:

- Dr. S.K.Gupta - Chairman
- Mr. Seshagiri Rao MVS - Member
- Dr. Vinod Nowal - Member
- Mr. Jayant Acharya - Member
- Mr. Uday Chitale - Member
- Mr. K. Vijayaraghavan - Member

The Head of Sustainability / Corporate Sustainability Reporting is responsible for driving the committee meetings. The scope of the Committee is as under:

- Responsible for the adoption of 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) in business practices of JSW Steel.
- Responsible for the policies created for or linked to the 9 key principles of the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business'.
- Review the progress of initiatives under the purview of business responsibility (sustainability) polices mentioned above.
- Review business responsibility reporting disclosures on a pre-decided frequency (monthly, quarterly, bi-annually).
- Review the progress of business responsibility initiatives at JSW Steel.
- Review the annual business responsibility report and present it to the Board for approval.

Based on the recommendations of the Committee for Business Responsibility Reporting, the Board of Directors has approved the policies to address the nine principles of NVGs, which meet the clause 55 requirements.

As a responsible corporate citizen, we acknowledge our responsibility of being accountable to all our stakeholders and responding to their queries in an appropriate and timely manner. We are in the process of creating a stakeholder complaint redressal mechanism for addressing complaints related to Business Responsibility (BR) / Sustainability Policies in line with the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business. Our Chief Sustainability Officer will be the designated authority to address all the complaints and we plan to resolve the complaints within 21 days from the date of receipt.

Risk Management

Our Enterprise Risk Management framework provides the platform to discuss the risk factors which have significant impact on business sustainability. We believe that for achieving growth and other business objectives on a sustainable basis, involvement of all stake-holders is essential. All risks factors that may affect business sustainability have been identified and are regularly tracked as explained hereunder:

- Raw material security – broadening the vendor base to avoid dependency on limited suppliers; exploring the option of acquiring coal and iron ore mines, domestically as well as abroad.
- Infrastructure & logistics support – interactions with rail authorities for guaranteed rakes availability, long term relations with shipping companies, truck operators; developing infrastructure like stock-yards at pan India level for better distribution network.
- Environment – we are taking proactive actions not only to meet present norms but also be prepared for future regulations.
- Organizational development – comprehensive talent management system to acquire, retain and motivate required talent.
- Market development – markets, market segments, product needs, customer perceptions etcetera are ascertained through market analysis, direct consumer contact programmes and surveys. Loss of customers, if any, is analyzed to find causes and decide future strategy.
- Reputation – regular interaction with all the stakeholders to meet their expectations in terms of performance, quality of products and services, social responsibility and values and for aligning their perceptions with reality.

Public Policy Advocacy

We pursue policy interventions and grievance redressal with Government agencies as permitted under various regulatory norms. We engage in policy interventions through various platforms made available to the industry. Through stakeholder consultation with industry bodies, Independent Policy Research and other industry players, we support the Government in framing policies in the area of governance and administration, advancement of public good, economic reforms, sustainable business principles, energy, food, water and other natural resources, security and inclusive development policies. Following are the industry associations / organizations where JSW Steel has employee representation: Worldsteel, FICCI, CII, Assocham, GRI, UNGCN, Bangalore Chamber of Industry & Commerce, Karnataka Iron & Steel Manufacturing Association, Indian Institute of Metals, American Society of Metals, Association of Iron & Steel Technology (USA), Iron and Steel Institute of Japan, PMS (Metal Society of USA), Indian Chamber of Commerce, and the Bengal Chamber of Commerce & Industry.

Economic Performance

Product	2012-13 (in MnT)	
	Domestic	Export
Semis	0.23	0.03
Rolled Products – flat	4.07	1.23
Rolled Products – long	1.65	0.06
Value added products	1.03	0.57
Total	**6.98**	**1.89**
Saleable Steel		**8.87**

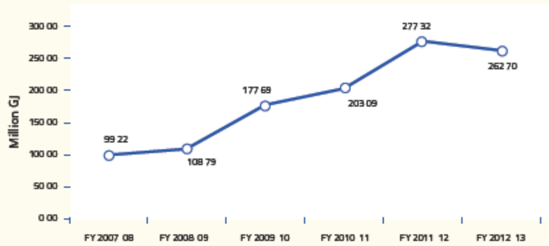
A. Economic Value Generated	**39,128.47**
Domestic turnover	31,166.40
Export turnover	7,597.01
Other income	365.06
B. Economic Value Distributed	**37,327.25**
Operating cost	30,742.89
Employee wages and benefits	670.97
Payments to providers of capital	1,724.48
Payments to Governments	3,796.78
Exchange Loss	367.21
CSR initiatives	24.92
Economic Value Retained (A – B)	**1,801.22**

All figures in INR crores

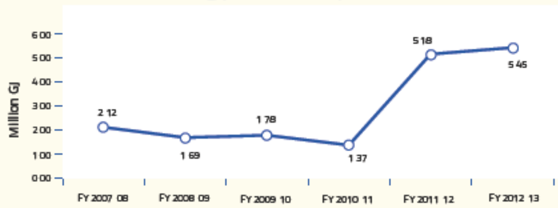
ENERGY AND CLIMATE CHANGE

The biggest contributor to our energy consumption is coal which constituted nearly 66% of our total direct energy consumption during FY 2012-13. For us, energy management comprises maximising the collection, recycling and reuse of hot air and process gases to reduce fossil fuel consumption and specific energy consumption across the plant. At our downstream operations, the direct energy requirement is met through fuels such as LPG, FO, LDO and HSD. At Vijayanagar, we source electricity from JSW Energy Limited while at Salem it is sourced from the state electricity grid. At Tarapur, we have commissioned a 30 MW captive power plant that meets its electricity requirement. We are also exploring the option of renewable energy. We are also working tirelessly to reduce our specific energy consumption to bring it at par with the global best.

Total Direct Energy Consumption - Upstream



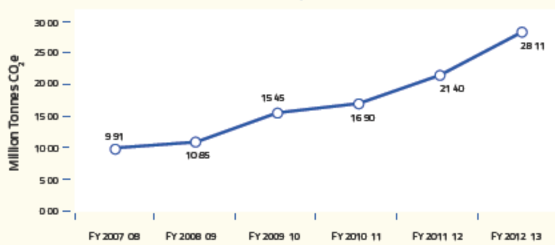
Total Direct Energy Consumption - Downstream



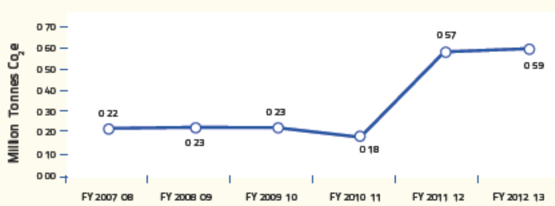
Our organization is conscious of the impact on climate due to our operations. To reduce the impact of CO_2 emissions, the company is undertaking trial of CO_2 sequestration by tree plantation. National Research Centre for Agro-forestry, Jhansi has been engaged to study and advice on the matter. We are also undertaking various energy efficiency projects which will further lead to reduction in GHG emissions.

Our total direct GHG emission during the year FY 2012-13 was 28.61 million tCO_2e. Our indirect GHG emissions related to purchased energy during the year FY 2012-13 was 0.093 million tCO_2e

Total GHG emission - Upstream



Total GHG Emissions - Downstream



Environmental Excellence

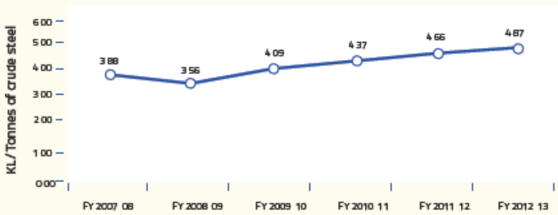
We are cognizant of the extent of impacts our operations have over the surrounding environment. It is our constant endeavour to reduce our environmental impact to a level which is as low as reasonably practicable. During FY 2012-13, we invested a total of INR 1,624.54[1] million towards environmental management.

Water management

Water is one of the most critical inputs in the steel manufacturing process. At Vijayanagar Works, due to frequent capacity expansions the annual water requirement increased, making the sourcing from the Tungabhadra river inadequate for plant operations at optimum capacity. To meet additional requirements, we tapped an alternative water source by laying a 172-km pipeline connecting Almatty dam to Vijayanagar Works. We continuously strive to improve our water consumption efficiency by adopting technologies requiring lower levels of water use and effectively recycling and reusing water.

It is our endeavour to ensure a complete reutilization of the waste water generated as a result of our operations post treatment. For this we have installed the most advanced of technologies for water treatment.

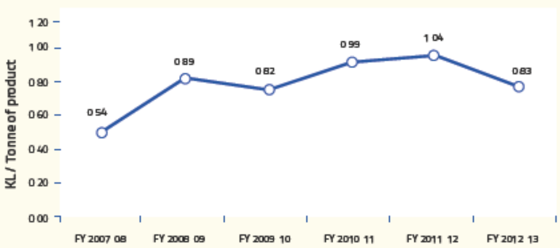
Specific water Consumption - Upstream



[1]This value is for Vijayanagar, Salem and Vasind

[2]The water consumption value includes water used for power generation in our captive power plants

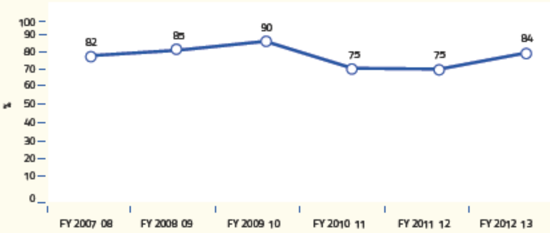
Specific Water Consumption - Downstream



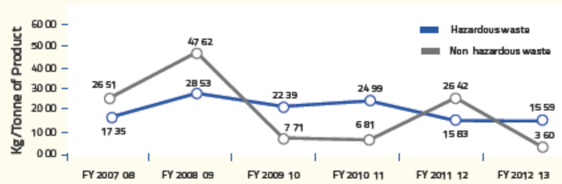
Waste management

Our operations lead to the generation of various hazardous and non-hazardous wastes. Our goal is to reuse such waste to the maximum extent possible in our processes to reduce the consumption of fresh raw materials thereby decreasing our material intensity. We dispose the residual waste in a responsible manner.

Solid Waste Utilization - Upstream



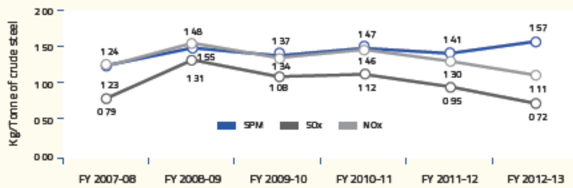
Specific Waste Generation - Downstream



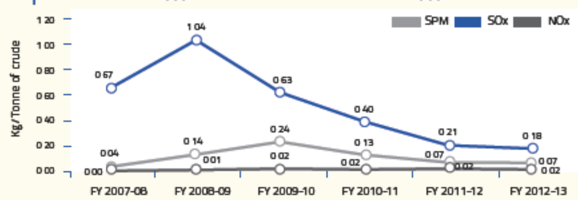
Air emissions

We monitor our air emissions from all the stacks on a periodic basis. We have put in various measures to reduce our air emissions. Special attempts have been made to reduce our SPM emissions. We maintain our air emissions well within the limits stipulated by the pollution control board at all times.

Specific Air Emissions - Upstream



Specific Air Emissions - Downstream



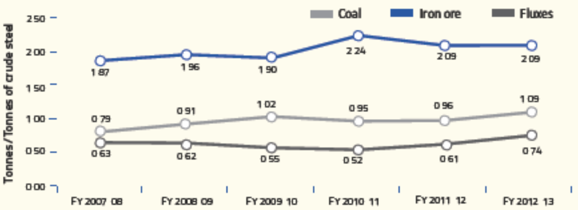
Biodiversity

Our Vijayanagar works are located near a biodiversity sensitive zone. There are physical barriers to prevent the entry of animals into the plant area, lest they should be harmed. We are monitoring our emissions on a regular basis and they are well within the stipulated limits. The appraisal committee of the Ministry of Environment and Forests, GoI has visited the plant and has confirmed that the operations have had no negative effects on wildlife.

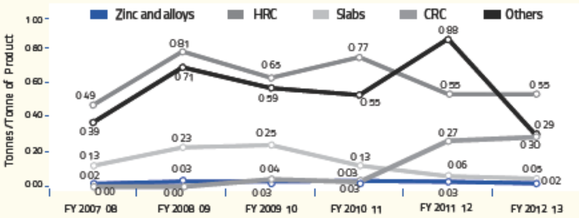
Product Responsibility and Innovation

One of the most advantageous attributes of steel is its recyclability. We at JSW are focussed towards reducing the amount of virgin iron ore consumption per unit of steel produced. The steel reject (scrap) generated during the processing of steel for final products is completely recycled. We also use steel scrap collected from other sources in steel making. Direct reduced iron (DRI) can be used as an alternative to steel scrap. During FY 2012-13, our specific raw material consumption in our upstream operations was 3.92 tonnes/tonne of crude steel production as compared to 3.66 tonnes/tonne of crude steel production during FY 2011-12.

Specific Raw Material Consumption - Upstream



Specific Material Consumption - Downstream



The strong focus on innovation and R&D has led to JSW Steel being recognised worldwide as a purveyor of high-end, value-added steel. Sustainability risks are considered during product development through market mapping studies covering potential, applications and also profitability. Through various innovative products, we endeavour to create a positive impact on the environment specifically during end-use. We are focussing on creating durable products that will help to harness solar energy, develop low thickness and higher strength CRCA products to reduce vehicle weight thereby increasing fuel efficiency and contributing to creation of steel structures like Multi Level Parking and Public Transportation, thereby reducing traffic congestion and reducing pollution.

Promoting stockyards

To reduce the environmental impacts of infrastructure projects and to meet customer requirements at the same time, we ensure that the material is dispatched through rakes and unloaded at a nearest point from the customers' premises. Onward transportation is then arranged by road movement. This saves considerable quantity of fuel and air pollution to a large extent is restricted to movement of goods through electrically operated engines. We have established such stockyards across India, ensuring bulk dispatch by rake movement.

Customer focus and responsible marketing

We conduct customer meets at our sites involving OEMs and Dealers. We have launched a loyalty programme for our channel partners called 'Sahyog'. We hold influencer meets for our indirect customers such as builders, developers, engineers, consultant and contractors and also provide training programmes for our supply chain partners. We spread awareness in rural areas through road shows, signages, participation in local markets etcetera.

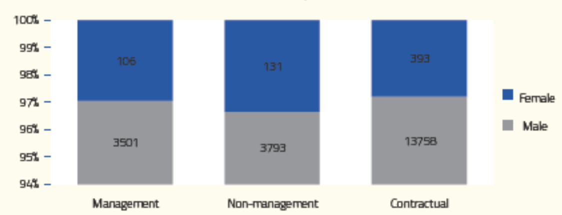
Sahyog

Sahyog is an innovative relationship programme that celebrates our continuous collaboration with various channel partners. With the vision of 'growing together,' Shoppes, Retailers and Influencers are all included as participants in this programme. The programme is a ground-breaking, multi-layered initiative that ensures coverage across the retail chain. The aim is to benefit every JSW collaborator.

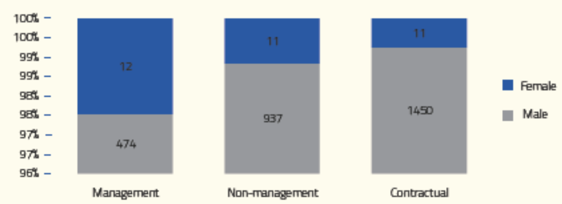
Intellectual Capital Management

We have established ourselves as the highest manpower productive team per tonne of steel manufactured in India's growing steel sector. By fostering an environment of individual goal setting, continuous improvement, awareness of health and safety, and corporate sustainability, we strive to be an "employer of choice".

Workforce Breakdown - Upstream



Workforce Breakdown - Downstream



Caring for the well-being of our employees

We firmly believe in investing towards the well-being of our employees. Insurance benefits have been extended to all employees. The employee benevolence scheme takes care of the financial needs of the deceased employee's family.

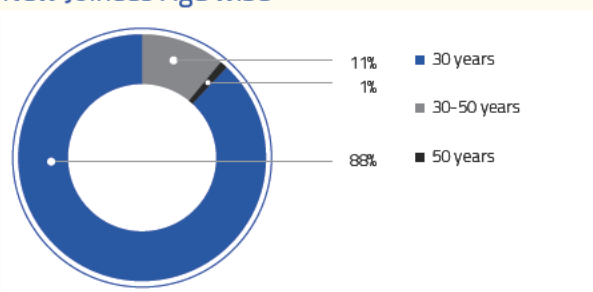
We provide timely financial assistance to employees for special personal and family needs. We also provide unscheduled long term "sabbatical leaves" to provide an opportunity to employees to pursue professional / technical studies or to serve approved NGO or Social sector. Additionally, marriage gifts, free uniforms also form a part of the benefits extended towards our employees.

Feedback of our employees is of prime importance which is obtained from surveys, team interactions and open end discussions which are held on a timely basis. We have structured our Human Resource policies, strategies and action plans on a framework that takes into account this employee feedback. All candidates are assessed based on merit, job related skills and competencies. There is no discrimination based on caste, creed, gender, race, religion, disability or sexual orientation.

Talent management

Since inception, we have consistently aggregated competencies from diverse cultures, educational backgrounds and domain experience with a singular objective: to accelerate growth. We reinforced this focus through institutionalized multi-hierarchical training extending from steel manufacturing to holistic personality development which commences from day one followed by specialized trainings at regular intervals. The annual incentive scheme is designed in accordance with the attainment of targets and also forms the basis for incentive payment.

New Joinees Age wise



Leadership and succession management

To smoothen and enable the second line of leadership to take additional responsibilities resulting from the growing business, second line successors are identified to run the business efficiently. We believe in nurturing our employees and give them opportunities of growth and leadership. We have constituted initiatives to instil development and leadership characteristics in our employees, such as

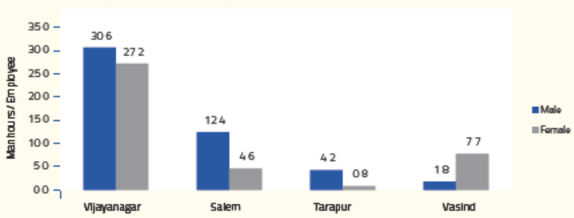
- Leadership competency framework: To define leadership competencies for organizational success; reinforce competencies through focused training, feedback and mentoring-coaching initiatives
- Succession management process: To identify key leadership positions - groom leaders from within the organization
- 360 degree feedback process: To enable leaders to get feedback on their leadership styles as perceived by others and enable individuals to develop leadership potential by helping them to capitalize on their strengths.
- Horizontal integration: Responsibility delegated to top executives with an aim to make the organization leaner.

Training and Development

We have created multiple learning opportunities through an institutionalized training calendar, technical and behavioural development as well as workshops, seminars and skill development programmes. We entered into engagements with premier institutes to facilitate higher education through e-learning solutions.

We have created managerial and functional training opportunities for all employees. This is executed through various functional, technical and behavioral training programmes held across the year to cover everyone. The training programmes are organized / conducted based on training needs identified by the individual and his / her immediate superiors. Specific competencies to be developed are identified for development during the annual performance appraisal process as well.

Average Training Hours



Managing human rights

Respect for human rights is a part of our company's core values and is practiced all across our operations.

We ensure that all our operations are free from the scourge of discrimination. We have proper screening mechanisms in place to make sure that we do not employ child labour. All our investment agreements and procurement policies adhere to local legal requirements on aspects of human rights. Although we do not have an employee association we actively engage with our employees, whether permanent or contractual, to ensure their welfare. Our target is to ensure that all our security personnel and senior management personnel are oriented in human rights aspects.

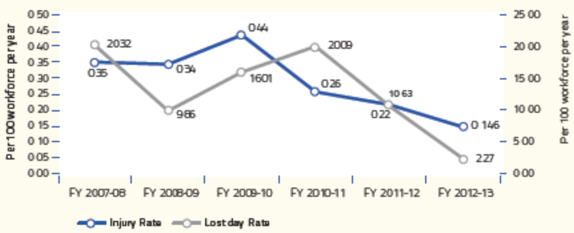
For employees an elaborate and effective grievance handling mechanism provides a platform on which they are encouraged to discuss issues openly. Unresolved grievances are first submitted to the immediate superior and if required, get escalated to the concerned Head of Department / Head Human Resources and for further discussion at the CEO / Director level. Objective is to ensure that all grievances are addressed and resolved within a period of 2 weeks.

We aim to have a discrimination-free workplace and have adopted a "zero-tolerance" approach against sexual harassment. We acknowledge that it is our legal responsibility to provide a safe working environment for women. The conduct and discipline policy ensures that there is no discrimination or harassment against any person on the grounds of race, colour, religion, disability, age, sex or marital status.

Health and Safety

Our safety framework is supported by several building blocks like process hazard analysis, operating procedures and related best practices, safety reviews, technology management, training, incident reporting and investigation, personnel management, contractor safety, on-site and off-site emergency response and planning, safety audits and linkage with quality.

Safety Performance - Upstream



Frequent trainings regarding occupational health and safety for employees, lorry drivers, contractor's workmen and supervisors are provided to ensure best safety practices. All our units are governed by departmental safety committees which ensure compliance to the safety measures and create awareness to help employees abide by the organization's health, safety and environment policy. For all the identified emergencies, mock-drills are conducted periodically to assess the preparedness and response in case of any incidents.

We constantly strive to achieve our goal of a "zero fatality rate" and continuously improve occupational health and safety performance to attain benchmarked global standards. To achieve this, we

- provide and maintain safe and healthy working environment for employees with adequate facilities and arrangements for their welfare
- maintain safe and healthy work places and safe systems and methods of work
- equip the staff with the information, instructions, training and supervision needed for safe working, periodically
- protect the employees from foreseeable work hazards on company premises
- develop safety awareness amongst all employees including contract workmen and persons working for or on behalf of the company
- protect environment and conserve the natural resources by incorporating appropriate environmental safeguards
- ensure and facilitate a quality housekeeping programme that provides a clean, orderly and safe, healthy environment for the employees, which would eventually contribute to enhanced production and productivity
- maintain quality work environment free of unauthorized drugs, tobacco and alcohol use.

Encouraging work-life balance for employees

We encourage employees to participate in healthcare programmes for self and colleagues.

To ensure that our employees remain fit, agile and alert, at all times, it is compulsory for them to take up a KRA on CSR/self-health development and maintenance, as a part of annual performance appraisal process.

Community Development

Our CSR work has always taken a holistic development approach which is embedded in our corporate philosophy that our operations nurture local communities. The JSW Foundation which is a social development division of the JSW Group works closely with local stakeholders.

Interventions in education and health are our strong entry point initiatives. In health, safe deliveries, nutrition and mitigating HIV take a larger share of our projects. Environmental sanitation is promoted through individual toilets and pilot projects in waste management. The concern for unemployment is addressed by the creation of vocational education facilities leading to employable skills among youth in the community and also promoting self employment.

CSR Vision

"Empowered communities with sustainable livelihoods."

CSR Mission

- Outreach of government programmes in health and employment generation through gap filling support
- Our townships and communities to move towards carbon efficient management systems
- In-situ conservation of at least one major monument at project locations and promote national cooperation for conservation of all monuments
- Collaborative earth care initiatives
- Need based social development interventions in our mining locations.

The primary stakeholder in our activities is the local populace. From 2013-2014, we will be expanding this scope to include local gram panchayats. The approach to engage with stakeholders is both through our own Foundation teams and collaborations with NGOs. There are periodic interactions with the community where we discuss various issues and accordingly develop our projects. There are instances where the 'wish list' presented through a community dialogue has left out softer interventions that might be critical for women and children. These left out projects are further incorporated and project proposals are developed for suitable initiatives and budgets are assigned for their implementation.

We are committed to enhance the quality of life of communities around our plant locations. We endeavour to create long term value for our business and society and strive to assess impact of our operations on local agriculture, bio-diversity and health through periodic third-party impact studies and other research studies with special emphasis on benefits to women and the deprived sections of society. JSW acts to:

- Improve quality and delivery of preschool and primary education
- Reduce infant and maternal mortality rates
- Facilitate access to water and sanitation
- Promote skill development through vocational training and education
- Enlist indigenous communities and marginalised sections of the community around its operations and include them in various development initiatives
- Collaborate with government programmes and partner with civil society organisations for poverty alleviation and implementation of sustainable models, while ensuring effective outreach to the community
- Sensitise employees to the concept of 'equity' in development and its significance in the various sectoral initiatives, while encouraging and promoting their participation
- Create a process of participatory resettlement of displaced communities.

JSW shall measure and report progress against this policy and review performance on a periodic basis to ensure equity based growth and development. The content and implementation of this policy will be reviewed periodically and actions will be taken accordingly, including the sharing of good industry practices within JSW.

In Vijayanagar a community planned and managed water supply system is being developed. In Vasind, remedial education centres are organized in response to a need felt jointly by us and the local self government. And in Salem, the demand for information and knowledge sharing has led to the establishment of a major project in collaboration with a leading NGO. The teams at respective locations follow a monthly interaction process schedule with the various stakeholders.

Following are some of the new initiatives taken during FY 2012-13:

- In local government schools
  - Installing solar facility at the existing computer aided learning centres and distributing solar lanterns with charging facility
  - Starting remedial classes for slow learners
  - Infrastructure upgradation

- Proposing project tehsils to be cataract free
- Village knowledge centre initiative with MS Swaminathan Research Foundation
- Skill building for youth from other locations at the OP J Centre, Vijayanagar
- Community based water supply scheme in village Talur, Vijayanagar.

Our commitments

- Advocate the cause of women's empowerment, the marginalized and those with disabilities.
- Adhere to the Millennium Development Goals Framework with special emphasis on:
    - Universalizing primary education
    - Mitigating infant mortality
    - Nurturing maternal health
- Safeguarding the environment through water conservation, renewable energy and sanitation activities.
- Address the specific needs of the community and create viable working models through engaged social processes and infrastructure-oriented development.
- Support arts, sports and conserve cultural heritage.
- Promote the culture of social responsibility through employee volunteerism.

The total CSR budget for JSW Steel in 2012-13 was INR 260 million and utilisation was INR 249.2 million.

Independent Assurance Statement

JSW Steel Limited (the Company) has requested KPMG to provide an independent assurance on its 2012-13 Corporate Sustainability Report.

The company's management is responsible for content of the report, identification of the key issues, engagement with stakeholders and its presentation.

KPMG's responsibility is to provide limited assurance on the report content as described in the scope of assurance. The assurance report should not be taken as a basis for interpreting the company's overall performance, except for the aspects mentioned in the scope below.

Our responsibility in performing our assurance activities is to the management of the Company only and in accordance with the terms of reference agreed with the Company. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any dependence that any such third party may place on the Report is entirely at its own risk.

Scope of Assurance

The scope of assurance covers the following aspects of the Report:

- Data and information related to the Company's sustainability performance in the period 01 April 2012 to 31 March 2013
- The sustainability specific data and information covering the Company's downstream works at Vasind and Tarapur and upstream works at Vijayanagar and Salem.
- The Company's internal protocols, processes, and controls related to the collection, collation, and reporting of sustainability performance data.
- The Company's approach to identify material issues and engage with its stakeholders.

Exclusions

The assurance scope excludes;

- Aspects of the Report other than those mentioned above;
- Data and information outside the defined reporting period
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- Issues related to Intellectual Property Rights and other competitive issues;

Methodology adopted for Assurance:

We conducted our review in accordance with International Standard on Assurance Engagements (ISAE 3000), "assurance engagements other than audits of review of historical information" issued by International Audit and Assurance Standards board. The process of assurance involved -

- Discussion with Senior Executives at upstream and downstream works and at corporate office to understand their perspectives on sustainability, their expectations, and future plans
- Site visits to the downstream and upstream works at Tarapur, Salem, Vasind and Vijayanagar for
- Testing reliability and accuracy of data on a sample basis
- Understanding assumptions / thumb rules considered
- Assessment of the stakeholder engagement process through interviews with concerned personnel and review of relevant documentation
- Review of the processes deployed for collection, compilation, and reporting of sustainability performance indicators at corporate and works level.

Appropriate documentary evidence was obtained to support our conclusions on the information and data verified. Where such documentary evidence could not be collected on account of confidential information our team physically verified the documents.

Observations

Our observations are as follows:

- JSW Steel has demonstrated serious efforts towards creating a sustainability governance framework by creating the position of a Chief Sustainability Officer, to drive the Corporate Sustainability Cell.
- Key sustainability risks have been included in JSW Steel's updated risk management framework.
- The sustainability performance of JSW Steel's operations is subjected to external audits on a bi-annual basis.
- IT systems have been successfully deployed across operations to measure and monitor its GHG emissions.
- JSW Steel is in the process of upgrading its safety management systems across all operations through dedicated safety teams and reputed external consultants.
- Though internal processes have been established to ensure that performance indicators are checked for completeness and accuracy, the data management systems have scope for improvement in terms of integrating sustainability KPIs in to mainstream MIS.

Conclusions

On the basis of our assurance methodology, nothing has come to our attention that would cause us not to believe that:

- The Report presents JSW Steel's sustainability performance covering its operations as mentioned in the scope.
- Material issues that have impact on JSW Steel and are of interest to its stakeholders have been highlighted in the Report.
- The Report meets the requirements of A+ application level of GRI G3.1 Guidelines on Sustainability Reporting.

Independence

Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence.

Responsibilities

Our responsibility is to express our conclusions in relation to the assurance scope listed above. We conducted our engagement with a multidisciplinary team including specialists in ISAE 3000, stakeholder engagement, auditing environmental, social and economic information and with experience in similar engagements. JSW Steel is responsible for developing the Report contents. JSW Steel is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported.

This assurance statement is made solely to JSW Steel in accordance with the terms of our engagement. Our work has been undertaken so that we might state to JSW Steel those matters we have been engaged for. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than JSW Steel for our work, for this statement, or for the conclusions we have reached. By reading this statement, stakeholders agree and accept and agree to the limitations and disclaimers mentioned above.

Santhosh Jayaram

KPMG India

NVG MAPPING INDEX

	Principle	Page No.
Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	100-101, 113
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	104, 114
Principle 3	Businesses should promote the wellbeing of all employees	104-106, 114-115
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.	100, 115
Principle 5	Businesses should respect and promote human rights	105-106, 115
Principle 6	Business should respect, protect, and make efforts to restore the environment	102-103, 115-116
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner	101, 116
Principle 8	Businesses should support inclusive growth and equitable development	106-108, 117-118
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner	104, 118

CLAUSE 55 CONTENT INDEX

Section A: General Information about the Company

Disclosure item		Response
1	Corporate Identity Number (CIN) of the Company	L27102MH1994PLC152925
2	Name of the Company	JSW Steel Limited
3	Registered address	JSW Steel Limited, Jindal Mansion, 5A, Dr. G.Deshmukh Marg, Mumbai – 400 026, Maharashtra, India. Tel: +91 - 22 - 2351 3000 Fax: +91 - 22 – 2352 6400
4	Website	www.jsw.in
5	Email Id	paresh.tewary@jsw.in
6	Financial Year reported	2012-13
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Metals
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	HRC CRC Galvanised Steel
9	Total number of locations where business activity is undertaken by the Company	
	i. Number of International Locations (Provide details of major 5)	a) JSW Steel USA in Texas near Houston. b) Bella Vista and Vinita mines located in the Atacama region of northern Chile. c) Development of a cape size port in North Caldera in Chile to support mining operations. d) Coking coal mines in West Virginia. e) Mining operations in Mozambique. f) Setting up a steel plant at Rustavi in Georgia.
	ii. Number of National Locations	In India, JSW has four main operational locations at Vijayanagar, Salem, Tarapur and Vasind.

Disclosure item		Response
10	Markets served by the Company – Local/State/ National/International/	JSW Steel has all India presence and exports its products to more than 140 countries. 25% of JSW Steel's total sales are carried out through retail network branded as JSW Shoppe. There are 400 Shoppe located across the country. The focus geographic areas of the company are south and west but it surveys variety of customers which are classified in market segments.

Section B: Financial Details of the Company

Disclosure item		Response
1	Paid up Equity Capital (INR)	223.12 crores
2	Total Turnover – Gross (INR)	38,763.41 crores
3	Total profit after taxes (INR)	1,801.22 crore
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.38%
5	List of activities in which expenditure in 4 above has been incurred, includes	
	a.	Education
	b.	Livelihood
	c.	Environment
	d.	Health

Section C: Other Details

Disclosure item		Response
1	Does the Company have any Subsidiary Company/ Companies?	Yes
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	No
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information

Details of Director/Directors Responsible for BR

SL. No.	Name	Din No.	Telephone No	email id.
1	Dr. S.K. Gupta (Chairman) Independent Director	11138	(91) 80 - 25599074 (91) 80 - 55559869 (91) 80 - 25559870	saibal.gupta@jsw.in
2	Mr. Seshagiri Rao M.V.S Executive Director	29136	(91) 22 - 23513000	seshagiri.rao@jsw.in
3	Dr. Vinod Nowal Executive Director	46144	(91) 8395 - 283416	vinod.nowal@jsw.in
4	Mr. Jayant Acharya Executive Director	106543	(91) 22 - 23513000	jayant.acharya@jsw.in
5	Mr. Uday M Chitale Independent Director	43268	(91) 22 - 56375630	uday@mpchitale.com
6	Mr. K. Vijayaraghavan Independent Director	544730	(91) 40 – 23350586 / 23356507	vijay@sathguru.com

Details of the BR Head

Sr. No.	Name	Designation	Telephone No	email id.
1	Mr. Paresh Tewary	Chief Sustainability Officer	(91) 22-43437910	paresh.tewary@jsw.in

2	Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)									
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	No	No	No	Yes	No	No	Yes	Yes	No
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes ref.	Yes ref.	Yes ref.	Yes ref.	Yes ref.	Yes ref.	Yes ref.	Yes ref.	Yes ref.
	A: National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business B: ILO Convention on Human Rights C: Affirmative Action D: National Action Plan on Climate Change, National Environmental Policy E: Millennium Development Goals									
4	Has the policy been approved by the Board?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	If yes, has it been signed by MD/ owner/CEO/appropriate Board Director? By JMD	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Indicate the link for the policy to be viewed online?	http://www.jsw.in/Corporate/downloadReport.html#jswcsr								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	No	No	No	No	No	No	No	No	No
		The policies have been communicated to all employees, JVs, subsidiaries and published on company website.								
8	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	No	No	No	No	No	No	No	No	No
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

2a	If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)									
	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles	NA								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	NA								
3	The company does not have financial or manpower resources available for the task	NA								
4	It is planned to be done within next 6 months	NA								
5	It is planned to be done within the next 1 year	NA								
6	Any other reason (please specify)	NA								
3	Governance related to BR									
	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Every 3 months								
	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Annual sustainability reports. Following is the hyperlink to access our previous reports. http://www.jsw.in/Corporate/Corporate_Sustainability_Reports.html#jswcsr								

Section E: Principle-wise performance

	Disclosure item	Response
Principle 1		
1	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?	Yes. The policy covers the company and is extended to its entire value chain.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	JSW Steel is in the process of setting up a mechanism for receiving and handling stakeholder complaints.
Principle 2		
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	
	i.	Low Thickness, Higher Strength CRCA (cold rolled close annealed)
	ii.	Products for the solar energy segment
	iii.	JSW Pragati
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	CRCA	
	i. 3Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	The CRCA product does not contribute to any reduction in resource use during sourcing/ production/distribution.
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Low Thickness, Higher Strength CRCA product developed through technology tie-up with JFE to reduce vehicle weight thereby increasing fuel efficiency and reducing pollution

	Disclosure item	Response
	Products for solar energy segment	
	i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?	The solar energy related products do not contribute to any reduction in resources used during sourcing / production / distribution
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	Development of products for the solar energy segment thereby contributing to generation of clean renewable energy.
	JSW Pragati	
	i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	The JSW Pragati product does not contribute to any reduction in resource use during sourcing/ production/distribution.
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	This affordable steel product has considerable positive impacts on health and environment compared with conventional products such as AC sheets.
3	Does the company have procedures in place for sustainable sourcing (including transportation)?	No
	i. If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	NA
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	No
	If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	NA
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Yes. The recycling percentage is more than 10% of the total waste/by product generation. Our upstream operations recycle large quantities of scrap steel back into the process. This includes both internally generated scrap as well as that purchased from outside.
Principle 3		
1	Please indicate the Total number of employees.	9,574*
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	15,612
3	Please indicate the Number of permanent women employees.	378
4	Please indicate the Number of permanent employees with disabilities.	21
5	Do you have an employee association that is recognized by management.	No
6	What percentage of your permanent employees is members of this recognized employee association?	NA
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	

	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
	Child labour/ forced labour/ involuntary labour	Nil	Nil
	Sexual harassment	Nil	Nil
	Discriminatory employment	Nil	Nil

Disclosure item		Response
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?	
	Permanent Employees	82.6%
	Permanent Women Employees	68.4%
	Casual/Temporary/Contractual Employees	91.4%
	Employees with Disabilities	61.9%
* Including Corporate Office		
Principle 4		
1	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	No JSW Steel has however, started a school for specially abled children in areas with heavy incidence of such cases.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	Based on the survey of surrounding villages, heavy incidence of specially abled children had emerged. Keeping this in view, Tamanna school for specially abled children was started in February, 2009. Tamanna's vision is that all the special children will have the opportunity to fulfill their potential and lead independent lives with self respect and dignity. Started with 4 children, today there are 44 children, mostly mentally challenged. Children undergo special training and vocational training in making paper products, tailoring, book binding , screen printing, etc. and Centre has collaboration with Vocational Rehabilitation Centre for Handicapped, Government of India , Bangalore.
Principle 5		
1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?	The policy covers the company and is extended to its entire value chain.
2	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	JSW Steel is in the process of setting up a mechanism for receiving and handling stakeholder complaints.
Principle 6		
1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.	The policy covers the company and is extended to its entire value chain.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Yes http://www.jsw.in/Foundation/environment.html#areaofopera
3	Does the company identify and assess potential environmental risks? Y/N	Yes

Disclosure item		Response
4	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Yes Till date, JSW Steel has been issued 9,386,722 CERs, out of which during the FY 2012-13, JSW steel sold a total of 1,261,029 CERs. At the Vijayanagar plant, one project has been registered with UNFCCC as a CDM project. This project utilizes waste gases from blast furnace and Corex units to generate electricity. There are two projects which are under request for registration as CDM projects. These include installation of top pressure recovery turbine over the blast furnace and waste energy recovery project through coke dry quenching.
5	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes JSW Steel's Vijayanagar plant has implemented the Corex technology which is one of the cleanest steel manufacturing processes in India. At Salem a fugitive dust collection system has been installed which minimizes the emission of SPM and RSPM to the atmosphere. At Tarapur, a Reduced Thermal Oxidizer has been installed which has significantly reduced LPG consumption and thereby GHG emissions.
6	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes
7	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	There are no pending legal notices received from the CPCB or SPCB at any of our operations.
Principle 7		
1	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	Yes
	a.	World Steel Association
	b.	Indian Institute of Metals
	c.	UNGCN
	d.	CII, FICCI, Karnataka Iron & Steel Manufacturing Association
2	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes Sustainable development, promotion of human rights, social development, transparency in public disclosure.

Disclosure item		Response
Principle 8		
1	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes. JSW Steel Limited ("JSW") is committed to enhance the quality of life of communities around its plant locations. JSW is conscious that the local community is not homogenous and varying layers of social deprivation and marginalisation need to be identified, understood and valued from an anthropological and sociological perspective. JSW acts to: ▪ Improve quality and delivery of preschool and primary education ▪ Reduce infant and maternal mortality rates ▪ Facilitate access to water and sanitation ▪ Promote skill development through vocational training and education ▪ Enlist indigenous communities and marginalised sections of the community around its operations and include them in various development initiatives ▪ Collaborate with government programmes and partner with civil society organisations for poverty alleviation and implementation of sustainable models, while ensuring effective outreach to the community ▪ Sensitise employees to the concept of 'equity' in development and its significance in the various sectoral initiatives, while encouraging and promoting their participation ▪ Create a process of participatory resettlement of displaced communities.
2	Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?	Our CSR work has always taken a holistic development approach which is embedded in our corporate philosophy that our operations nurture local communities. The JSW Foundation which is a social development division of the JSW Group, works closely with local stakeholders to reach out to the local communities.
3	Have you done any impact assessment of your initiative?	We have conducted impact assessment studies for the initiatives taken at our Vijayanagar plant.
4	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	INR 24,92,00,000 The initiatives include: Education - Computer aided learning, computers, anganwadis, balwadis, rural libraries, schooling, remedial education, infrastructure, sports, mid-day meals. Livelihood - Self help groups, vocational training, metallurgy/lab equiqments, masala grinding units. Environment - Garbage management, water supply, roads, toilets, mortuary. Health - Sanjeevani Hospital, nursing college, health camps, eye-care equipments, eye-camps, cataract, HIV/aids counselling, specially abled children.

Disclosure item		Response
5	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	The primary stakeholder in our activities is the local population. The approach to engage with stakeholders is both through our own Foundation teams and collaborations with NGOs. There are periodic interactions with the community where we discuss various issues and accordingly develop our projects. There are few occasions where the local and district bureaucracy become our partners, and place their request for specific projects.
Principle 9		
1	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	22.63%
2	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)	The company displays product information on labels as mandated by the law.
3	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Based on certain news reports, the erstwhile Monopolies and Restrictive Trade Practices Commission had initiated an inquiry against India Steel makers, including JSW Steel Limited for alleged cartelization during April 2007 to February 2008. In June 2009, once the Competition Act 2002 became operational the case was transferred to the Competition Commission of India (CCI). The CCI decided to enquire further and the investigation is currently in progress. The investigation has been broadened to include JSW Ispat Steel Limited as well.
4	Did your company carry out any consumer survey/ consumer satisfaction trends?	Customer satisfaction surveys are conducted regularly at JSW Steel. The latest customer satisfaction survey was conducted during November 2011 to January 2012.

INDEPENDENT AUDITORS' REPORT

To the Members of JSW Steel Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of JSW STEEL LIMITED ("the Company") which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;

b. in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and

c. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to the following notes to the financial statements:

i. Note 26 (4) relating to the Scheme of Amalgamation and Arrangement sanctioned by the Bombay High Court on 3rd May 2013. The certified copy of the Court Order is awaited, on receipt of which the Company will initiate requisite formalities to give effect to the Scheme. Accordingly therefore, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

ii. Note 26 (5) relating to the Company's assessment that no provision against the carrying amounts of its long term strategic investment and loans relating to its subsidiary, JSW Steel (USA) Inc., of ₹ 3,155.65 crores is presently necessary, for the reasons stated in the note.

Our opinion is not qualified in respect of these matters.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1 As required by the Companies (Auditor's Report) Order, 2003 ("CARO") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by Section 227(3) of the Act, we report that:

   a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.

   e. On the basis of the written representations received from the directors as on 31 March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

(Firm Registration No. 117366W)

P.B. Pardiwalla

Partner

(Membership No. 40005)

MUMBAI

23 May, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) Having regard to the nature of the Company's business/activities/result, clauses (i-c), (iii), (vi), (x), (xii), (xiii), (xiv), (xviii) and (xx) of CARO are not applicable to the Company.

(ii) In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

(iii) In respect of its inventories:

(a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals, except for inventories lying with third parties where confirmations have been received.

(b) As the Company's inventory of raw materials mostly comprises bulk materials such as iron ore, iron ore fines, coal, coke, pellets etc. requiring technical expertise for establishing the quality and the quantification thereof, the Company has hired independent agencies for physical verification of such stocks. Relying on the above, according to the information and explanations furnished to us, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased/ sold are of special nature and suitable alternate sources for obtaining comparable quotations are not readily available, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weakness in such internal control.

(v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, and according to the information and explanations given to us:

(a) The particulars of contracts or arrangements referred to Section 301 that needed to be entered into the Register maintained under the said Section have been so entered.

(b) Where each of such transaction is in excess of ₹ 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

(vi) In our opinion, the Company has an adequate internal audit system commensurate with the size of the company and the nature of its business

(vii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(viii) According to the information and explanations given to us in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31 March 2013 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited as on 31 March 2013 on account of disputes are given below:

Name of Statute	Nature of the Dues	Amount involved (₹ in Crores)	Period to which the amount relates	Forum where Dispute is pending
Income Tax Act, 1961	Income Tax	0.49	2002-2003	Commissioner of Income Tax (Appeals)
The Bombay Sales Tax Act, 1959	Sales Tax	7.43	2000-2004	The Joint Commissioner of Sales Tax (Appeals), Mumbai
The Karnataka Value Added Tax Act, 2003	Sales Tax	10.19	2007-2010	Karnataka Appellate Tribunal, Bangalore
Chapter V of the Finance Act, 1994	Service Tax	48.12	2005-2012	Custom, Excise and Service Tax Appellate Tribunal
Chapter V of the Finance Act, 1994	Service Tax	0.27	2006-2007	Custom, Excise and Service Tax Appellate Tribunal
The Custom Act, 1962	Custom Duty	2.24	1997-1998, 2004-2005	The Supreme Court of India
The Custom Act, 1962	Custom Duty	43.71	2001-2002	The High Court of Karnataka
The Custom Act, 1962	Custom Duty	109.21	2001-2002, 2007-2008, 2009-2011	Custom, Excise and Service Tax Appellate Tribunal / Commissioner of Customs (Appeals)
The Custom Act, 1962	Custom Duty	19.54	2012-2013	The Commissioner of Central Excise (Appeals), Guntur
The Custom Act, 1962	Custom Duty	6.25	2011-2012	Assistant Commissioner of Customs, Mangalore
The Central Excise Act,1944	Excise Duty	11.07	2005-2012	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act,1944	Excise Duty	73.69	2004-2012	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act,1944	Excise Duty	0.54	2006-2010, 2007-2008	The Commissioner of Central Excise (Appeals), Mumbai
The Central Excise Act,1944	Excise Duty	10.86	2005-2012	Custom, Excise and Service Tax Appellate Tribunal
The Central Excise Act,1944	Excise Duty	1.33	2005-2006	Custom, Excise and Service Tax Appellate Tribunal

ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.

(x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by subsidiaries (including step down subsidiaries) from banks and financial institutions are not *prima facie* prejudicial to the interests of the Company.

(xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained, other than temporary deployment pending application.

(xii) In our opinion and according to the information and explanations give to us and on an overall examination of the balance sheet of the Company, we report that the fund raised on short- term basis have, *prima facie*, not been used during the year for long-term investment.

(xiii) According to the information and explanations given to us and the records examined by us, securities/ charge have been created or are in the process of creation in respect of the debenture issued.

(xiv) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

P.B. Pardiwalla
Partner
(Membership No. 40005)

MUMBAI
23 May, 2013

BALANCE SHEET

AS AT 31ST MARCH, 2013

(₹ in crores)

	Notes	As at 31 March 2013	As at 31 March 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' fund			
Share capital	2	563.18	563.18
Reserves and surplus	3	19,374.19	17,934.31
		19,937.37	**18,497.49**
(2) Non-current liabilities			
Long-term borrowings	4	15,434.26	11,528.09
Deferred tax Liabilities (Net)	5	3,450.23	3,012.09
Other Long term liabilities	6	194.06	82.72
Long-term provisions	7	39.51	32.90
		19,118.06	**14,655.80**
(3) Current liabilities			
Short-term borrowings	8	1,109.53	774.13
Trade payables	9	9,274.36	9,184.45
Other current liabilities	10	4,873.98	7,182.52
Short-term provisions	11	302.05	226.92
		15,559.92	**17,368.02**
TOTAL		**54,615.35**	**50,521.31**
II ASSETS			
(1) Non-current assets			
Fixed assets	12		
Tangible assets		27,604.47	27,071.69
Intangible assets		34.32	18.89
Capital work-in-progress		5,033.97	2,476.77
Intangible assets under development		40.57	27.04
		32,713.33	**2,9594.39**
Non-current investments	13	4,495.61	4,212.20
Long-term loans and advances	14	3,083.99	2,651.44
Other non-current assets	15	0.08	1.58
		40,293.01	**36,459.61**
(2) Current assets			
Current investments	16	140.45	201.22
Inventories	17	4,799.10	5,179.08
Trade receivables	18	1,862.20	1,284.62
Cash and Cash Equivalents	19	1,401.79	2,956.02
Short-term loans and advances	14	6,118.80	4,440.76
		14,322.34	**14,061.70**
TOTAL		**54,615.35**	**50,521.31**
Significant Accounting Policies	1		
The accompanying Notes 1 to 26 are an integral part of the financial statements			

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

P. B. PARDIWALLA
Partner

Place : Mumbai,

Date : 23 May 2013

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman and Managing Director

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2013

		Note	For the Year Ended 31 March 2013	For the Year Ended 31 March 2012
				(₹ in crores)
I	**Revenue from operations**	20	**38,867.59**	**34,720.67**
	Less: Excise duty		3,375.78	2,598.01
			35,491.81	**32,122.66**
II	**Other income**	21	**260.88**	**179.30**
III	**Total Revenue (I + II)**		**35,752.69**	**32,301.96**
IV	**Expenses:**			
	Cost of materials consumed		22,590.37	20,960.11
	Purchases of traded goods		10.00	77.50
	Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	22	(172.46)	(297.81)
	Employee benefits expense	23	670.97	625.87
	Finance costs	24	1,724.48	1,186.41
	Depreciation and amortization	12	1,973.89	1,708.17
	Other expenses	25	6,084.11	5,126.19
	Total expenses		**32,881.36**	**29,386.44**
V	**Profit before Exceptional Items and Tax**		**2,871.33**	**2,915.52**
VI	**Exceptional Items**			
	Exchange Loss (net)	26(6)	(367.21)	(820.96)
VII	**Profit before tax (V-VI)**		**2,504.12**	**2,094.56**
VIII	**Tax Expenses:**			
	Current tax	5(a)	501.40	402.39
	Deferred tax		495.60	753.80
	Less: MAT Credit Entitlement	5(b)	(294.10)	(687.49)
			702.90	**468.70**
IX	**Profit for the year (VII - VIII)**		**1,801.22**	**1,625.86**
X	**Earnings per equity share:**	26(15)		
	Basic		79.28	71.42
	Diluted (see note)		79.28	71.42
Significant Accounting Policies		1		
The accompanying Notes 1 to 26 are an integral part of the financial statements				

In terms of our report attached
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors
SAJJAN JINDAL
Chairman and Managing Director

P. B. PARDIWALLA
Partner

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO

Place : Mumbai,
Date : 23 May 2013

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

	For the year ended 31 March 2013		For the year ended 31 March 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		**2,504.12**		**2,094.56**
Adjustments for :				
Depreciation and amortisation	1,973.89		1,708.17	
Loss /(Profit) on sale of Fixed Assets	2.30		(0.08)	
Income from Current Investments	(16.79)		(14.90)	
Profit on sale of Long Term Investment	(15.79)		(16.45)	
Interest Income	(222.41)		(138.46)	
Dividend Income	(5.89)		(8.67)	
Interest Expenses	1,270.68		800.37	
Unrealised exchange (gain) / loss	(141.97)		253.85	
Amortisation of Employees Share Payments	5.70		10.28	
Provision for Diminution in Value of Investments	0.58		1.37	
		2,850.30		**2,595.48**
Operating profit before working capital changes		**5,354.42**		**4,690.04**
Adjustments for :				
Decrease/ (Increase) in Inventories	379.98		(1,040.67)	
Increase in Trade Receivables and Loans and Advances*	(1,220.75)		(3,489.80)	
(Decrease)/ Increase in Liabilities and Provisions*	(106.71)		2,376.86	
		(947.48)		**(2,153.61)**
Cash flow before taxation		**4,406.94**		**2,536.43**
Direct Taxes Paid		(482.28)		(397.11)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**3,924.66**		**2,139.32**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets and capital advances		(4,556.89)		(3,774.41)
Investment in subsidiaries, associates and Joint Ventures		(268.20)		(365.02)
Purchase of Other Long Term Investments (Net)		-		(0.29)
Purchase/Sale of Current Investments (Net)		77.56		80.68
Proceeds from sale of Fixed Assets		7.53		4.76
Interest received		282.88		117.48
Dividend received		5.89		8.67
NET CASH USED IN INVESTING ACTIVITIES		**(4,451.23)**		**(3,928.13)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		5,237.87		5,871.73
Repayment of Long Term Borrowings		(3,872.30)		(1,431.89)
Short term borrowings (net)		336.71		(1,139.11)
Interest Paid		(1,351.38)		(983.04)
Dividend Paid (including Corporate Dividend Tax)		(226.92)		(350.09)
NET CASH GENERATED FROM FINANCING ACTIVITIES		**123.98**		**1,967.60**
NET INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)		**(402.59)**		**178.79**
CASH AND CASH EQUIVALENTS - OPENING BALANCE		**605.66**		**426.87**
CASH AND CASH EQUIVALENTS - CLOSING BALANCE#		**203.07**		**605.66**
Add : Margin Money / Fixed Deposit Balance (In Lien)		1,179.39		2,329.52
Add : Balance in debenture interest/ installments/dividend payment accounts		19.33		20.84
CASH AND CASH EQUIVALENTS (As per Note 19)		**1,401.79**		**2,956.02**
*** Includes current and non current**				
# Cash and Cash Equivalents (refer note 19)		588.24		1,259.47
Less : Earmarked balances included above		385.17		653.81
Cash and Cash Equivalents considered for Cash Flow		**203.07**		**605.66**

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

For and on behalf of the Board of Directors

SAJJAN JINDAL

Chairman and Managing Director

P. B. PARDIWALLA
Partner

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO

Place : Mumbai,

Date : 23 May 2013

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

Note 1 SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of accounting

The accompanying financial statements have been prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956 (The Act).

2. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known / materialize.

3. Fixed assets and depreciation

Fixed Assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses.

Costs of acquisition comprise all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allocated to specific assets up to the date the asset are put to use.

Depreciation on assets is provided, pro-rata for the period of use, by the Straight Line Method (SLM) at the SLM rates prescribed in Schedule XIV to the Act.

Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The company capitalizes software where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over an estimated useful life of 3 to 5 years.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment in accordance with Accounting Standard 28 "Impairment of Assets". If any indication of impairment exist, the recoverable amount of such assets is estimated and impairment is recognized if the carrying amount of these assets exceeds their recoverable amount (i.e. the higher of the asset's net selling price and value in use).

4. Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 "Accounting for Investments".

Current investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited in the statement of profit and loss.

Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.

5. Revenue recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of sales tax/value added tax. Export turnover includes related export benefits. Excise duty recovered is presented as a reduction from gross turnover

6. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by the weighted average cost method.

Excise duty related to finished goods stock is included under changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer note 22).

7. Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

8. Employee benefits

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense in the statement of profit and loss in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The company's obligations recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

9. Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

i. Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to/deducted from the cost of the asset and depreciated over the balance life of the asset.

ii. In other cases such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized in the statement of profit and loss over the balance life of the long-term monetary item, however that the period of amortization does not extend beyond 31 March 2020.

All other exchange differences are dealt with in the statement of profit and loss.

Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction- also refer note 1-4.

10. Derivative financial instruments

The Company enters into derivative financial instruments such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date.

The Company designates certain derivatives as either hedges of the fair value of recognized assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges). The Company does not enter into derivative contracts for trading or speculative purposes.

A derivative is presented under "Short term loans and advances (Note14) or "Other Current Liabilities" (Note 10).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in the same line of the statement profit and loss relating to the hedged item.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in a "Hedging Reserve Account". The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss. Amounts deferred in the Hedging Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognized in the statement of profit and loss, in the same line as the hedged item.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In case of fair value hedges the adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized in the statement of profit and loss from that date. In case of cash flow hedges any cumulative gain or loss deferred in the Hedging Reserve Account at that time is retained and is recognized when the forecast transaction is ultimately recognized in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred is recognized immediately in the statement of profit and loss.

11. Income taxes

Income taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid/ recovered from the revenue authorities, using the applicable tax rates and tax laws. Minimum Alternate Tax (MAT) credit entitlement available under the provisions of Section 115 JAA of the Income Tax Act, 1961 is recognized to the extent that the credit will be available for discharge of future normal tax liability.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or a deferred tax liability. They are measured using the substantively enacted tax rates and tax laws.

The carrying amount of MAT credit and deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the assets can be realized.

Where certain expenses or credits which are otherwise required to be charged in the statement of profit and loss are adjusted directly to reserves in accordance with a court order or as permitted by law/accounting standards, the tax benefits or charge, arising from the admissibility or taxability of such expenses or income for tax purpose is also recognized in the reserves.

Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 which is accounted for in accordance with the Guidance Note on Accounting for Corporate Dividend Tax is regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

12. Earnings per share

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

13. Operating leases

Operating lease receipts and payments are recognized as income or expense in the statement of profit and loss on a straight-line basis over the lease term.

14. Cash Flow Statement

The cash flow statement is prepared using the "indirect method" set out in Accounting Standard 3 "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.

15. Securities' expenses

Premium payable on redemption of bonds is provided for over the life of the bonds. The Securities Premium Account is applied in providing for premium on redemption in accordance with Section 78 of the Act. On conversion of the bonds to equity the provision for the redemption premium is reversed.

Expenses on issue of securities are written off to the Securities Premium Account in accordance with Section 78 of the Act.

16. Stock based compensation

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options. The compensation expense is amortized uniformly over the vesting period of the option.

17. Contingent liabilities

Contingent liabilities as defined in Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

			(₹ in crores)
		As at 31.03.2013	**As at 31.03.2012**
Note 2	**SHARE CAPITAL**		
a	**Authorised :**		
	2,00,00,00,000 Equity Shares of the par value of ₹ 10 each	2,000.00	2,000.00
	1,00,00,00,000 Preference Shares of the par value of ₹ 10 each	1,000.00	1,000.00
	Total:	**3,000.00**	**3,000.00**
b	**Issued and Subscribed:**		
	22,31,17,200 Equity Shares fully paid up	223.12	223.12
	Equity Shares Forfeited (Amount originally paid-up)	61.03	61.03
	27,90,34,907 10% Cumulative Redeemable Preference Shares fully paid up	279.03	279.03
	Total:	**563.18**	**563.18**
c	**Reconciliation of number of shares outstanding at the beginning and end of the year :**		
	Equity (including shares represented by underlying GDRs):		
	Outstanding at the beginning and at the end of the year	223,117,200	223,117,200
	Preference :		
	Outstanding at the beginning and at the end of the year	279,034,907	279,034,907

d Rights, preferences and restrictions attached to Equity shares

The company has a single class of equity shares. Each shareholder is eligible for one vote per share held (other than the shares that were represented by underlying GDR's which did not carry a voting right) . The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Nil (previous year 26,00,938) equity shares represent the shares underlying outstanding Global Depository Receipts (GDRs). Each GDR represents 1 underlying equity share. The GDRs have been converted to equity shares during the year.

e Rights, preferences and restrictions attached to Preference shares

The company has a single class of preference shares. They are redeemable at par in four equal 'quarterly installments commencing from 15 December 2017. The shares carry a right to receive 10% dividend every year till redemption. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount after distribution of all other preferential amounts, in proportion to their shareholding.

f Shareholders holding more than 5% shares in the company is set out below:

Equity (excluding shares represented by underlying GDRs)			
JFE Steel International Europe B.V	No of Shares	36,068,518	-
	%	16.17%	-
JFE Steel Corporation	No of Shares	-	33,467,580
	%	-	15.00%
Jindal South West Holdings Limited	No of Shares	17,284,923	17,284,923
	%	7.75%	7.75%
JSW Energy Investments Private Limited	No of Shares	13,764,364	13,764,364
	%	6.17%	6.17%
Preference			
ICICI Bank Limited	No of Shares	125,707,730	125,707,730
	%	45.05%	45.05%
IDBI Bank Limited	No of Shares	69,734,847	69,734,847
	%	24.99%	24.99%
Life Insurance Corporation of India	No of Shares	36,348,783	36,348,783
	%	13.03%	13.03%
IFCI Limited	No of Shares	21,262,362	21,262,362
	%	7.62%	7.62%

		As at 31.03.2013	As at 31.03.2012
			(₹ in crores)
Note 3	**RESERVES AND SURPLUS**		
a	**Capital Reserve**		
	As per last Balance Sheet	529.38	-
	Money received against equity share warrants forfeited, option not exercised by warrant holders	-	529.38
		529.38	**529.38**
b	**Capital Redemption Reserve**		
	As per last Balance Sheet	9.90	9.90
		9.90	**9.90**
c	**Securities Premium Reserve :**		
	As per last Balance Sheet	5,536.25	5,667.53
	Less : Provision for premium on redemption of FCCBs	(119.62)	(131.28)
		5,416.63	**5,536.25**
d	**Debenture Redemption Reserve:**		
	As per last Balance Sheet	4.04	129.04
	Add/(Less) : Transfer from/(to) Surplus in Statement of Profit and Loss	7.82	(125.00)
		11.86	**4.04**
e	**Share Options Outstanding**		
	Share Options Outstanding	23.67	23.84
	Less: Deferred Compensation	-	(5.96)
		23.67	**17.88**
	Less : Transfer to General Reserve:	(23.67)	-
		-	**17.88**
f	**Hedging Reserve Account**		
	As per last Balance Sheet	(14.46)	(8.34)
	Movement during the year	46.17	(6.12)
		31.71	**(14.46)**
g	**General Reserve:**		
	As per last Balance Sheet	9,864.02	7,539.02
	Add : Transfer from Surplus in Statement of Profit and Loss	181.00	2,325.00
	Transfer from Share Options Outstanding	23.67	-
		10,068.69	**9,864.02**
h	**Surplus in Statement of Profit and Loss**		
	As per last Balance Sheet	1,987.30	2,788.36
	Add : Profit for the year	1,801.22	1,625.86
	Transfer from Debenture Redemption Reserve	-	125.00
	Less: Appropriations :		
	Transfer to Debenture Redemption Reserve	7.82	-
	Dividend on Preference Shares	27.90	27.90
	Proposed Final Dividend on Equity Shares	223.12	167.34
	Corporate Dividend Tax	42.66	31.68
	Transfer to General Reserve	181.00	2,325.00
		3,306.02	**1,987.30**
Total:		**19,374.19**	**17,934.31**

(₹ in crores)

	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non Current		Current (Refer note 10)	
Note 4 Long Term Borrowings				
Bonds / Debentures				
Bonds (Unsecured)				
2,744 Zero Coupon Foreign Currency Convertible Bonds (FCCB) of USD 1,00,000 each	-	-	-	1,403.73
Debentures (Secured)				
10.34 % Non Convertible Debentures of ₹ 10 lacs each	1,000.00	-	-	-
11 % Non Convertible Debentures of ₹ 10 lacs each	1,000.00	1,000.00	-	-
10.25 % Non Convertible Debentures of ₹ 10 lacs each	500.00	500.00	-	-
10.60 % Non Convertible Debentures of ₹ 10 lacs each	350.00	350.00	-	-
10.10 % Non Convertible Debentures of ₹ 10 lacs each	968.75	1,000.00	31.25	-
11.82 % Non Convertible Debentures of ₹ 10 lacs each	6.28	14.66	8.38	8.38
11.82 % Non Convertible Debentures of ₹ 10 lacs each	17.55	25.35	7.80	7.80
	3,842.58	**2,890.01**	**47.43**	**16.18**
Term Loans				
(Secured)				
Rupee Term Loans from Banks	6,172.53	5,073.45	648.78	390.88
Foreign Currency Term Loans from Banks	695.60	1,061.72	432.44	489.54
Rupee Term Loans from Financial Institutions	14.23	25.45	11.22	12.16
(Unsecured)				
Rupee Term Loans from Banks	-	-	-	900.00
Foreign Currency Term Loans from Banks	4,598.55	2,237.33	95.33	187.40
	11,480.91	**8,397.95**	**1,187.77**	**1,979.98**
Long Term Advance from a Customer	-	128.48	128.49	227.91
Deferred Payment Liabilities				
Deferred Sales Tax Loan (Unsecured)	110.77	111.65	0.88	-
Total:	**15,434.26**	**11,528.09**	**1,364.57**	**3,627.80**

Details of Security

(i) The 10.34% NCDs aggregating to ₹ 1,000 crores are secured / to be secured by way of first pari passu charge on fixed assets related to 2.8 mtpa expansion project located at Vijaynagar works and a flat at Vasind situated in the state of Maharashtra.

(ii) The 11% NCDs aggregating to ₹ 1,000 crores are secured by way of first pari passu charge on movable and immovable properties of 2.8 mtpa expansion project located at Vijayanagar works and a flat at Vasind situated in the state of Maharashtra.

(iii) The 10.25% NCDs aggregating to ₹ 500 crores are secured by way of mortgage in respect of all immovable and movable properties both present and future located at Tarapur Works and Vasind Works in the State of Maharashtra.

(iv) The 10.60% NCDs aggregating to ₹ 350 crores are secured by:

- pari passu first charge by way of legal mortgage on land situated in the State of Gujarat
- pari passu first charge by way of equitable mortgage on fixed assets of the new 5 mtpa Hot Strip Mill at Toranagallu village in the State of Karnataka.

(v) The 10.10 % NCDs aggregating to ₹ 1,000 crores are secured by:

- pari passu first charge by way of legal mortgage on all immovable properties both present and future located at Tarapur Works and Vasind Works in the State of Maharashtra.
- pari passu first charge on all immovable properties and movable assets both present and future located at Salem Works in the State of Tamil Nadu.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(vi) The 11.82% NCDs aggregating to ₹ 14.66 crores are secured by:

- First charge on land situated in the state of Gujarat.
- First charge on Fixed Assets situated at Salem Works in the state of Tamilnadu.

(vii) The 11.82 % NCDs aggregating to ₹ 25.35 crores are secured by:

- pari passu first charge by way of legal mortgage on a flat situated at Mumbai, in the State of Maharashtra.
- pari passu first charge by way of equitable mortgage of the Company's immovable properties relating to the 100MW and 130MW Power Plants at Toranagallu village in the State of Karnataka.

(viii) Rupee Term Loans from Banks/Foreign Currency Term Loan from Bank are secured / to be secured as under :

- Rupee Term Loans aggregating to ₹ 6.76 crores and Foreign Currency Term Loans aggregating to ₹ 81.39 crores are secured by a first charge supported by an equitable/ registered Mortgage of movable and immovable properties and assets situated at Salem Works in the state of Tamilnadu and a second pari passu charge on the current assets at Salem Works.
- Foreign Currency Term Loans aggregating to ₹ 220.96 crores by exclusive first charge by way of equitable mortgage in respect of all movable and immovable properties of Cold Rolling Mill Complex at Toranagallu village in the State of Karnataka.
- Rupee Term Loans aggregating to ₹ 24.75 crores and Foreign Currency Term Loans aggregating to ₹ 159.42 crores by exclusive first charge by way of equitable mortgage in respect of all movable and immovable properties both present and future of 2.8 mtpa expansion project at Toranagallu village, in the State of Karnataka.
- Foreign Currency Term Loans aggregating to ₹ 666.27 crores by exclusive first charge by way of equitable mortgage in respect of all movable and immovable properties of Hot Strips Mill at Toranagallu village in the State of Karnataka.
- Rupee Term Loans aggregating to ₹ 4,459.09 crores by pari passu first charge by way of mortgage in respect of all movable and immovable properties both present and future, first charge/Assignment of all the assets and first charge on all the Bank Accounts of 3.2 mtpa expansion project at Toranagallu village in the State of Karnataka.
- Rupee Term Loan aggregating to ₹ 495 crores by exclusive first mortgage and charge on all movable and immovable properties both present and future, and first charge on the Bank Accounts of the 300 MW Power Plant - CPP IV at Toranagallu village in the State of Karnataka.
- Rupee Term Loan aggregating to ₹ 835.71 crores by first mortgage and charge of all immovable properties both present and future, and a first charge by way of hypothecation of all movable properties both present and future of the Beneficiation Plant (6 x 500 tph) and Pellet Plant (4.2 mtpa) at Toranagallu village in the State of Karnataka.
- Rupee Term Loan aggregating to ₹ 1,000 crores by first pari passu charge on 3.8 mtpa upstream assets (other than assets specifically carved out) at Vijaynagar works, Toranagallu village in the State of Karnataka.

(ix) Rupee Term Loan from Financial Institution aggregating to ₹ 25.45 crores are secured by exclusive first charge by way of hypothecation of Bombardier Challenger 300 aircraft.

Terms of Repayment/ Redemption/ Conversion

1. Terms of Conversion/ Redemption of Bonds/ Non-Convertible Debentures (NCDs)

(i) The 10.34% Secured NCDs of ₹ 10 lacs each aggregating ₹ 1,000 crores are redeemable in three tranches as under :

- ₹ 330 crores on 18.1.2022
- ₹ 330 crores on 18.1.2023
- ₹ 340 crores on 18.1.2024

(ii) The 11% Secured NCDs of ₹ 10 lacs each aggregating ₹ 1,000 crores are redeemable with call and put option excersiable on 16.03.17 and 16.03.19 as under:

- ₹ 330 crores each on 16.3.2021
- ₹ 330 crores each on 16.3.2022
- ₹ 340 crores each on 16.3.2023

(iii) The 10.25% Secured NCDs of ₹ 10 lacs each aggregating ₹ 500 crores are redeemable in 3 equal annual installments of ₹166.67 crores each from 17.02.2016 to 17.02.2018.

(iv) The 10.60% Secured NCDs of ₹ 10 lacs each aggregating ₹ 350 crores are redeemable in two tranches as under :

- 8 half yearly installments of ₹ 21.875 crores each from 02.01.2016 to 02.07.2019
- 8 half yearly installments of ₹ 21.875 crores each from 02.08.2016 to 02.02.2020.

(v) The 10.10% Secured NCDs of ₹ 10 lacs each aggregating ₹ 1,000 crores are redeemable in two tranches as under :

- 16 quarterly installments of ₹ 31.25 crores each from 04.02.2014 to 04.11.2017
- 16 quarterly installments of ₹ 31.25 crores each from 15.06.2014 to 15.03.2018.

(vi) The 11.82% Secured NCDs of ₹ 10 lacs each aggregating ₹ 14.66 crores are redeemable in 7 quarterly installments of ₹2.09 crores each from 01.07.2013 to 01.01.2015.

(vii) The 11.82% Secured NCDs of ₹ 10 lacs each aggregating ₹ 25.35 crores are redeemable in 13 quarterly installments of ₹1.95 crores each from 15.04.2013 to 15.04.2016.

2. Terms of Repayment of Secured Term Loans

(A) Rupee Term Loan from Banks of :

(i) ₹ 24.75 crores is repayable in 12 quarterly installments of ₹ 2.06 crores each from 30.4.2013 to 31.1.2016.

(ii) ₹ 4.46 crores is repayable in 3 quarterly installment of ₹ 1.09 crores each from 30.6.2013 to 31.12.2013 and 1 quarterly installment of ₹ 1.17 crores on 31.3.2014.

(iii) ₹ 2.3 crores is repayable in 3 quarterly installments of ₹ 0.57 crores each from 30.6.2013 to 31.12.2013 and 1 quarterly installment of ₹ 0.59 crores on 31.3.2014.

(iv) ₹ 2,860.46 crores is repayable as under :

- 8 quarterly installments of ₹ 75.28 crores from 30.6.2013 - 31.3.2015
- 8 quarterly installments of ₹ 188.19 crores from 30.6.2015 - 31.3.2017
- 2 quarterly installments of ₹ 250.91 crores from 30.6.2017 - 30.9.2017
- 1 quarterly installments of ₹ 250.94 crores on 31.12.2017

(v) ₹ 1,218.75 crores is repayable as under :

- 4 quarterly installments of ₹ 7.81 crores each from 30.6.2013 - 31.3.2014
- 8 quarterly installments of ₹ 31.25 crores each from 30.6.2014 - 31.3.2016
- 12 quarterly installments of ₹ 78.13 crores each from 30.6.2016 - 31.3.2019.

(vi) ₹ 379.88 crores is repayable as under :

- 8 quarterly installments of ₹ 10 crores each from 1.4.2013 - 1.1.2015
- 8 quarterly installments of ₹ 25 crores each from 1.4.2015 - 1.1.2017
- 3 quarterly installments of ₹ 33.32 crores each from 1.4.2017 - 1.10.2017.

(vii) ₹ 835.71 crores is repayable in 26 quarterly installments of ₹ 32.14 crores each from 1.7.2013 to 1.10.2019.

(viii) ₹ 495 crores is repayable in 12 quarterly installment of ₹ 41.25 crores each from 1.4.2013 to 1.1.2016.

(ix) ₹ 1000 crores is repayable as under :

- 16 quarterly installments of ₹ 12.5 crores each from 30.6.2014 - 31.3.2018
- 12 quarterly installments of ₹ 37.5 crores each from 30.6.2018 - 31.3.2021
- 4 quarterly installments of ₹ 43.75 crores each from 30.6.2021 - 31.3.2022
- 2 quarterly installments of ₹ 87.5 crores each from 30.6.2022 - 30.9.2022

(B) Foreign Currency Term Loan from Banks of :

(i) ₹ 47.59 crores is repayable in 5 half yearly installments of ₹ 9.52 crores each from 16.6.2013 to 16.6.2015.

(ii) ₹ 173.37 crores is repayable in 5 half yearly installments of ₹ 34.67 crores each from 8.4.2013 to 7.4.2015.

(iii) ₹ 152.97 crores is repayable in 3 half yearly installments of ₹ 50.99 crores each from 8.7.2013 to 6.7.2014.

(iv) ₹ 6.45 crores is repayable on 23.9.2013.

(v) ₹ 666.27 crores is repayable in 2 half yearly installments of ₹ 95.18 crores each from 28.5.2013 to 27.11.2013 and 1 half yearly installment of ₹ 475.91 crores on 27.5.2014

(vi) ₹ 27.19 crores is repayable on 8.6.2013.

(vii) ₹ 54.2 crores is repayable in 6 half yearly installments of ₹ 9.03 crores each from 9.9.2013 to 9.3.2016.

(C) Rupee Term Loan from Financial Institutions of :

(i) ₹ 10.29 crores is repayable in 27 monthly installments of ₹ 0.38 crores each from 11.4.2013 to 11.6.2015.

(ii) ₹ 5.08 crores is repayable in 27 monthly installments of ₹ 0.19 crores each from 20.4.2013 to 20.6.2015.

(iii) ₹ 5.46 crores is repayable in 28 monthly installments of ₹ 0.195 crores each from 2.4.2013 to 02.7.2015.

(iv) ₹ 4.62 crores is repayable in 27 monthly installments of ₹ 0.17 crores each from 15.4.2013 to 15.7.2015.

3 Terms of Repayment of Unsecured Term Loans

(A) Foreign Currency Term Loan from Banks of :

(i) ₹ 1,522.9 crores is repayable in 5 half yearly installments of ₹ 304.58 crores each from 28.8.2015 to 27.8.2017.

(ii) ₹ 768.98 crores is repayable in 17 half yearly installments of ₹ 45.23 crores each from 30.5.2013 to 31.3.2021.

(iii) ₹ 409.64 crores is repayable as under :

- ₹ 58.25 crores on 30.4.2014
- ₹ 349.56 crores is repayable in 12 half yearly installments of ₹ 29.13 crores each from 30.10.2014 to 30.4.2020
- ₹ 1.83 crores on 30.10.2020

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(iv) ₹ 22.98 crores is repayable in 4 half yearly installments of ₹ 4.86 crores each from 3.1.2014 to 3.7.2015 and last installment of ₹ 3.54 crores on 3.1.2016.

(v) ₹ 1,223.76 crores is repayable in on 26.6.2017.

(vi) ₹ 238.55 crores is repayable in 3 yearly installments of ₹ 79.52 crores each from 26.7.2016 to 26.7.2018.

(vi) ₹ 86.31 crores is repayable in 16 half yearly installments of ₹ 5.34 crores each & final installment of ₹ 0.87 crores falling due every 6 months after the actual commissioning date.

(vii) ₹ 202.28 crores is repayable in 11 half yearly installments of ₹ 17.33 crores each from 19.7.2014 to 19.7.2019 and 1 half yearly installment of ₹ 11.65 crores on 19.1.2020.

(viii) ₹ 218.47 crores is repayable in 14 half yearly installments of ₹ 14.93 crores each from 19.7.2014 to 19.1.2021 and 1 half yearly installment of ₹ 9.45 crores on 19.7.2021.

4 Long Term Advance from a Customer of ₹ 128.49 crores is repayable as under :

- 5 monthly installments of ₹ 21.47 crores each from 30.4.2013 to 31.8.2013.
- 1 monthly installment of ₹ 21.14 crores on 1.9.2013.

5 Deferred Sales tax of ₹ 111.65 crores is repayable in 101 varying monthly installments starting from 30.4.2013 to 31.8.2021.

(Repayments stated above are rounded off to the nearest crore)

			(₹ in crores)
		As at 31.03.2013	As at 31.03.2012
Note 5	**Taxation**		
a	Current Tax comprises of		
	Minimum Alternative Tax (MAT) for the year	501.40	442.75
	Excess provision of tax relating to earlier years	-	(40.36)
		501.40	**402.39**
b	MAT Credit Entitlement includes amount in relation to earlier years	-	244.74
c	Deferred Tax Liability comprises of timing differences on account of		
	Depreciation	3,526.88	3,068.40
	Expenses allowable on payment basis	(25.80)	(18.63)
	Provision for doubtful debts/advances	(38.75)	(35.56)
	Others	(12.10)	(2.12)
		3,450.23	**3,012.09**

				(₹ in crores)
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current		Current (Refer note 10)	
Note 6 Other Long Term Liabilities				
Rent and other Deposits	48.52	42.54	2.29	2.28
Retention Money for Capital Projects	130.03	38.51	244.93	173.94
Other Payables	15.51	1.67	-	-
Premium payable on redemption of FCCBs	-	-	-	565.36
Total:	**194.06**	**82.72**	**247.22**	**741.58**

				(₹ in crores)
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
Note 7 Long Term Provisions				
Employee Benefits	39.51	32.90	42.42	28.56
Total:	**39.51**	**32.90**	**42.42**	**28.56**

		(₹ in crores)
	As at 31.03.2013	As at 31.03.2012
Note 8 Short Term Borrowings		
Working Capital Loans from Banks (Secured)	266.61	162.89
Foreign Currency Loan from Bank		
Secured	-	153.46
Unsecured	842.92	457.78
Total:	**1,109.53**	**774.13**

Details of Security

Working capital loans of ₹ 266.61 crores are secured by :

- pari passu first charge by way of hypothecation of Stocks of Raw Materials, Finished Goods, Work-in-Process, Consumable Stores and Spares and Book Debts / Receivables of the Company, both present and future.
- pari passu second charge on movable properties and immovable properties forming part of the Fixed/Blocked assets of the company, both present and future except such properties as may be specifically excluded.

		(₹ in crores)
	As at 31.03.2013	As at 31.03.2012
Note 9 Trade Payables		
Acceptances	6,950.07	7,321.57
Other than Acceptances	2,324.29	1,862.88
Total:	**9,274.36**	**9,184.45**

(For Micro, Small and Medium Enterprises Act, 2006 disclosure Refer Note 26 (18))

		(₹ in crores)
	As at 31.03.2013	As at 31.03.2012
Note 10 Other Current Liabilities		
Current maturities of Long Term Debt (Refer Note 4)	1,364.57	3,627.80
Current dues of Other Long Term Liabilities (Refer Note 6)	247.22	741.58
Current dues of Long term Employee Benefits (Refer Note 7)	42.42	28.56
Payables for Capital Projects	2,563.01	2,309.46
Advances from Customers	192.98	171.05
Interest Accrued but not due on borrowings	124.31	61.29
Other Statutory Liabilities	264.01	199.39
Others	56.13	22.53
Investor Education and Protection Fund shall be credited by :		
Unclaimed Debenture Redemption Installments	1.28	1.61
Unclaimed Debenture Interest	0.77	1.43
Unclaimed Dividend	13.58	14.11
Unclaimed amount of sale proceeds of fractional shares	3.70	3.71
Total:	**4,873.98**	**7,182.52**

		(₹ in crores)
	As at 31.03.2013	As at 31.03.2012
Note 11 Short Term Provisions		
Proposed Dividend on Preference Shares	27.90	27.90
Proposed Dividend on Equity Shares	223.12	167.34
Corporate Dividend Tax	42.66	31.68
Provision for Tax	8.37	-
Total:	**302.05**	**226.92**

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FOR THE YEAR ENDED 31ST MARCH, 2013

₹ in crores

Particulars	Gross Block (at cost)					Depreciation / Amortisation				Net Block	
	As at 01.04.2012	Additions	Deductions	Other Adjustments	As at 31.03.2013	As at 01.04.2012	For the year	Deductions	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Note 12 FIXED ASSET											
Tangible Assets											
Freehold Land	201.07	35.77	-	-	236.84	18.48	-	-	18.48	218.36	182.59
Leasehold Land	134.37	0.35	-	-	134.72	0.69	0.13	-	0.82	133.90	133.68
Buildings	4,552.60	111.16	5.76	1.44	4,659.44	697.77	137.65	2.30	833.12	3,826.32	3,854.83
Plant & Machinery@	29,876.90	1,960.17	4.27	376.54	32,209.34	7,162.93	1,801.25	2.27	8,961.91	23,247.43	22,713.97
Furniture & Fixtures	91.19	3.88	0.61	-	94.46	40.46	6.26	0.26	46.46	48.00	50.73
Vehicles & Aircrafts	166.72	9.05	5.45	-	170.32	44.46	11.51	1.53	54.44	115.88	122.26
Office Equipments	17.30	1.90	0.15	-	19.05	3.67	0.85	0.05	4.47	14.58	13.63
Tangible Assets Total (A)	**35,040.15**	**2,122.28**	**16.24**	**377.98**	**37,524.17**	**7,968.46**	**1,957.65**	**6.41**	**9,919.70**	**27,604.47**	**27,071.69**
Intangible Assets											
Computer Software	46.00	23.40	-	-	69.40	29.31	13.34	-	42.65	26.75	16.69
Licences	4.86	8.27	-	-	13.13	2.66	2.90	-	5.56	7.57	2.20
Intangible Assets Total (B)	**50.86**	**31.67**	**-**	**-**	**82.53**	**31.97**	**16.24**	**-**	**48.21**	**34.32**	**18.89**
TOTAL (A+B)	**35,091.01**	**2,153.95**	**16.24**	**377.98**	**37,606.70**	**8,000.43**	**1,973.89**	**6.41**	**9,967.91**	**27,638.79**	**27,090.58**
Previous Year	27,407.34	6,881.74	17.61	819.54	35,091.01	6,305.18	1,708.17	12.92	8,000.43	27,090.58	-
@ Includes proportionate share of assets jointly owned Plant & Machinery	32.71	-	-	-	32.71	20.85	1.73	-	22.58	10.13	11.86

a) 'Buildings' include:

(a) Roads not owned by the Company amortised over a period of five years. Gross Block ₹ 3.13 crores (previous year ₹ 3.13 crores) Net block nil (previous year nil)

(b) Assets given on operating lease for which documents are yet to be executed pending approvals from Lenders and KSIIDC.Gross Block ₹ 3.08 crores (previous year ₹ 3.08 crores); net block ₹ 2.42 crores (previous year ₹ 2.47 crores)

(c) Execution of Conveyence deed in favour of the Company is pending in respect of a Building acquired in an earlier year, Gross block ₹ 24.07 crores, Net block ₹ 20.69 crores (previous year Gross block ₹ 24.07 crores, Net block ₹ 21.22 crores). (subsequently executed).

b) Other adjustments comprise the following costs in respect of assets capitalised during the year:
(i) Borrowing costs of ₹ 38.15 crores (previous year ₹ 334.64 crores)
(ii) Foreign Exchange Loss of ₹ 339.83 crores (previous year Foreign Exchange Loss of ₹ 484.90 crores)

c) Freehold Land and Buildings of ₹ 158.31 crores (previous year ₹ 158.31 crores) has been/agreed to be hypothecated/mortgaged to lenders of group companies.

d) For details of assets given on operating lease, refer note 26 (14)

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2013

		₹ in crores
	As at 31st March, 2013	As at 31st March, 2012
Note 13 NON CURRENT INVESTMENTS		
LONG TERM		
a. Equity Instruments		
Trade- Quoted		
Associate		
JSW Ispat Steel Limited 1,176,590,764 Equity Shares of ₹ 10 each fully paid-up (The shares are subject to lock-in for a period of five years till 23.01.2016.)	2,357.11	2,357.11
Others		
JSW Energy Limited 77,980,500 Equity Shares of ₹ 10 each fully paid-up	120.90	120.90
Trade- Unquoted		
Associates		
Jindal Praxair Oxygen Company Private Limited (JPOCPL) 23,942,125 (Previous year 29,640,000) Equity Shares of ₹ 10 each fully paid-up (Refer Note e below)	27.27	29.64
Joint Ventures		
Gourangdih Coal Limited 2,450,000 Equity shares of ₹ 10 each, fully paid up	2.45	2.45
JSW MI Service Centre Private Limited 30,539,800 (Previous year 6,112,960) Equity Shares of ₹ 10 each fully paid-up	30.54	6.11
JSW Severfield Structures Limited 65,298,417 (Previous year 39,537,940) Equity Shares of ₹ 10 each, fully paid up	65.30	39.54
MJSJ Coal Limited 10,461,000 (Previous year 7,710,000) Equity Shares of ₹ 10 each, fully paid up	10.46	7.71
Rohne Coal Company Private Limited 490,000 Equity shares of ₹ 10 each, fully paid up	0.49	0.49
Toshiba JSW Turbine and Generator Private Limited 11,000,000 Equity Shares of ₹ 10 each, fully paid up	11.00	11.00
Vijayanagar Minerals Private Limited 4,000 Equity Shares of ₹ 10 each fully paid-up (₹ 40,000)	-	-
Other than Trade - Unquoted		
Subsidiaries		
Amba River Coke Limited 174,005,020 (Previous year 67,865,020) Equity shares of ₹ 10 each, fully paid up (47,326,506 shares are pledged to the subsidiary's banker)	174.01	67.87
JSW Bengal Steel Limited 363,900,000 (Previous Year 270,123,300) Equity Shares of ₹ 10 each fully paid-up	363.90	270.12
JSW Building Systems Limited 2,810,000 Equity Shares of ₹ 10 each fully paid-up	2.81	2.81
JSW Jharkhand Steel Limited 42,721,710 (Previous Year 34,874,610) Equity Shares of ₹ 10 each fully paid-up	42.72	34.87
JSW Natural Resources Limited 1,365,500 Equity Shares of USD 10 each fully paid-up	62.59	62.59
JSW Steel Processing Centres Limited 50,000,000 Equity Shares of ₹ 10 each fully paid-up	50.00	50.00
JSW Steel (Netherlands) B.V. 174,945,275 (Previous Year 165,474,900) Equity Shares of Euro 1 each fully paid-up	1,082.18	1,020.02

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

		As at 31st March, 2013	As at 31st March, 2012
		₹ in crores	
	JSW Steel Holding (USA) Inc. 1 Equity Share of USD 0.01 each fully paid-up	0.89	0.89
	Others		
	SICOM Limited 600,000 Equity Shares of ₹ 10 each fully paid-up	4.88	4.88
	Steelscape Consultancy Private Limited 50,000 Equity Shares of ₹ 10 each fully paid-up	0.05	0.05
	Tarapur Environment Protection Society 29,116 Equity shares of ₹ 100 each, fully paid up	0.29	0.29
b	**Preference Shares**		
	Trade- Unquoted		
	Associates		
	Jindal Praxair Oxygen Company Private Limited (JPOCPL) Nil (Previous year 4,200,000) 10% Preference Shares of ₹ 10 each fully paid up (Tranche 2)	-	4.20
	Nil (Previous year 32,310,000) 0.1% Preference Shares of ₹ 10 each fully paid up	-	32.31
	Joint Ventures		
	Rohne Coal Company Private Limited 19,822,910 1% Preference Shares of ₹ 10 each, fully paid up	19.82	19.82
	Others		
	JSW Realty & Infrastructure Private Limited (Tranche 1) 5,750,000 10% Preference Shares of ₹ 100 each, fully paid up	57.50	57.50
	JSW Realty & Infrastructure Private Limited (Tranche 2) 7,250,000 10% Preference Shares of ₹ 100 each, fully paid up	72.50	72.50
c	**Government Securities (Unquoted)**		
	National Savings Certificates	0.01	0.01
	(Pledged with Commercial Tax Department)		
d	**Investment in Limited Liability Partnership Firm**		
	Subsidiaries		
	Inversiones Eurosh Limitada 5% Equity Interest in the capital of the Firm	0.01	0.01
		4,559.68	**4,275.69**
	Less: Provision for diminution in the value of Investments	(64.07)	(63.49)
	Total	**4,495.61**	**4,212.20**

e The Company has a 26% stake in Jindal Praxair Oxygen Company Private Limited (JPOCL). Though the Company is entitled to exercise joint control in respect of certain operating and financial matters in terms of the shareholders agreement, on account of certain constraints, it is unable to exercise such joint control. The Company has representation on JPOCL's Board. JPOCL has therefore been considered as an Associate Company.

		As at 31st March, 2013	As at 31st March, 2012
f	**SUMMARY**		
	Quoted		
	Aggregate book value	2,478.01	2,478.01
	Aggregate market value	1,456.07	1,960.52
	Unquoted		
	Aggregate book value	2,017.60	1,734.19
g	**Mode of Valuation - Refer Note 1(4)**		

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current		Current	
Note 14 LOANS AND ADVANCES (UNSECURED)				
Capital Advances	708.48	763.49	-	-
Less : Provision for doubtful advances	(89.40)	(86.75)	-	-
	619.08	**676.74**	**-**	**-**
Other loans and advances				
Loans and Advances				
To Related Parties (Refer Note 26 (13))	69.15	46.99	3,771.95	2,561.30
To Other Body Corporate	9.10	9.10	-	-
Advance to Suppliers	8.54	8.54	643.38	665.11
Export benefits and entitlements	6.69	6.69	137.42	108.85
Amount recoverable from ESOP Trusts	359.90	231.96	-	-
Deposits				
Security Deposits	-	-	150.56	117.62
Others	105.00	102.04	0.61	0.71
Indirect Tax balances/recoverables/credits	97.39	27.43	1,303.40	831.46
Prepayments and Others	313.18	266.53	111.48	155.71
Advance Tax and Tax Deducted at Source (Net)	-	13.65	-	-
Minimum Alternative Tax credit entitlement	1,503.46	1,209.36	-	-
Advance towards Equity / Preference capital	13.26	71.48	-	-
Less : Provision for doubtful loans and advances	(20.76)	(19.07)	-	-
	2,464.91	**1,974.70**	**6,118.80**	**4,440.76**
Total:	**3,083.99**	**2,651.44**	**6,118.80**	**4,440.76**
a Loans and Advances Constitute:				
Capital Advances				
Considered Good	619.08	676.74	-	-
Considered Doubtful, Provided	89.40	86.75	-	-
Other Loans and Advances				
Considered Good	2,464.91	1,974.70	6,118.80	4,440.76
Considered Doubtful, Provided			-	-
Loans and Advances to Other Body Corporate	9.10	9.10	-	-
Advance to Supplier	8.54	8.54	-	-
Other Deposits	0.78	0.78	-	-
Prepayment and others	2.34	0.65	-	-

b Details of Loans and Advances in the nature of loans to subsidiaries (including interest receivable):

(₹ in crores)

Name of Company	As at 31.03.2013		As at 31.03.2012	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
JSW Steel (Netherlands) B.V.	1,126.32	449.31	983.65	949.93
JSW Natural Resources Limited	52.55	52.55	15.86	15.86
Inversiones Eurosh Limitada	483.56	481.74	363.56	363.56
JSW Steel Holding (USA) Inc.	2,782.66	2,782.66	1,389.61	1,223.46

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 15 OTHER NON CURRENT ASSETS		
Trade Receivables (Refer note 18)	-	-
Cash and Bank Balances (Refer note 19)	0.08	1.58
Total:	**0.08**	**1.58**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 16 CURRENT INVESTMENTS		
Mutual Funds		
Axis Liquid Fund - Growth CFGP 15,402 (Previous year Nil) units of ₹ 1000 each	2.00	-
Baroda Pioneer Treasury Advantage Fund Plan A - Growth 125,360 (Previous year Nil) units of ₹ 1000 each	16.65	-
HDFC Floating Rate Income Fund - Short Term Plan - WP - Growth 15,597,055 (Previous year Nil) units of ₹ 10 each	30.00	-
ICICI Prudential Ultra Short Term - Regular Plan - Growth 4,871,230 (Previous year Nil) units of ₹ 10 each	5.75	-
IDBI Liquid Fund - Growth 15,905 (Previous year Nil) units of ₹ 1000 each	2.00	-
Indiabulls Liquid Fund -Existing Plan Growth 89,776 (Previous year Nil) units of ₹ 1000 each	10.25	-
Indiabulls Ultra Short Term Fund -Existing Plan Growth 142,122 (Previous year Nil) units of ₹ 1000 each	15.90	-
JP Morgan India Treasury Fund - Super Institutional - Growth 20,377,112 (Previous year Nil) units of ₹ 10 each	30.00	-
Pramerica Liquid Fund - Growth Option 57,128 (Previous year Nil) units of ₹ 1000 each	7.00	-
Religare Ultra Short Term Fund - Growth 67,626 (Previous year Nil) units of ₹ 1000 each	10.90	-
UTI Floating Growth Rate Fund STP Regular Plan Growth 53,365 (Previous year Nil) units of ₹ 1000 each	10.00	-
Axis Liquid Fund - Institutional Growth Nil (Previous year 21,051) units of ₹ 1000 each	-	2.50
Baroda Pioneer Liquid Fund - Institutional Growth Plan Nil (Previous year 366,360) units of ₹ 1000 each	-	45.00
BNP Paribas Overnight- Institutional Growth Nil (Previous year 30,319,936) units of ₹ 10 each	-	50.00
IDBI Liquid Fund - Growth Nil (Previous year 260,757) units of ₹ 1000 each	-	30.00
JPMorgan India Liquid Fund Super Institutional Growth Nil (Previous year 21,590,656) units of ₹ 10 each	-	30.00
Religare Liquid Fund - Super Institutional - Growth Nil (Previous year 54,294) units of ₹ 1000 each	-	8.00
SBI Premier Liquid Fund Super Institutional-Growth Nil (Previous year 15,662) units of ₹ 1000 each	-	2.64
Sundaram Money Fund Super Institutional - Growth Nil (Previous year 1,370,299) units of ₹ 10 each	-	3.08
Taurus Liquid Fund - Super Institutional Growth Nil (Previous year 259,588) units of ₹ 1000 each	-	30.00
Total:	**140.45**	**201.22**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2013

		(₹ in crores)
Particulars	**As at 31 March 2013**	**As at 31 March 2012**
SUMMARY		
Unquoted		
Aggregate book value	140.45	201.22
Aggregate Repurchase Value	143.41	201.32
Mode of Valuation - Refer Note 1(4)		

		(₹ in crores)
Particulars	**As at 31 March 2013**	**As at 31 March 2012**
Note 17 INVENTORIES		
Raw Materials	1,687.22	2,379.59
Work-in-Progress	287.28	507.16
Semi Finished/ Finished Goods	1,920.54	1,465.78
Production Consumables and Stores & Spares	904.06	826.55
Total:	**4,799.10**	**5,179.08**
Details of stock-in-transit		
Raw Materials	172.99	423.22
Production Consumables and Stores & Spares	54.31	29.02
Mode of Valuation - refer note 1(6)		

				(₹ in crores)
Particulars	**As at 31.03.2013**	**As at 31.03.2012**	**As at 31.03.2013**	**As at 31.03.2012**
	Non -Current (Refer Note 15)		**Current**	
Note 18 TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good	-	-	98.79	12.03
Considered Doubtful	8.73	6.42	5.57	7.94
Less: Provision for Doubtful debts	(8.73)	(6.42)	(5.57)	(7.94)
	-	**-**	**98.79**	**12.03**
Other Debts				
Considered Good	-	-	1,763.41	1,272.59
Total:	**-**	**-**	**1,862.20**	**1,284.62**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current (Refer Note 15)		Current	
Note 19 CASH AND BANK BALANCES				
Cash and Cash Equivalents				
Balances with Banks				
In Current Accounts	-	-	216.52	198.15
In Margin Money with maturity less than 3 months at inception	-	-	0.06	-
In Term Deposit Accounts with maturity less than 3 months at inception	-	-	371.12	1060.62
Cheques in Hand			0.04	-
Cash on hand	-	-	0.50	0.70
	-	**-**	**588.24***	**1,259.47***
Others				
In Margin Money with maturity more than 3 months but less than 12 months at inception	-	-	0.97	0.93
In Term Deposit Accounts				
with maturity more than 3 months but less than 12 months at inception	-	-	811.08	1,695.62
with maturity more than 12 months at inception	0.08	1.58	1.50	-
	0.08	**1.58**	**813.55**	**1,696.55**
Total:	**0.08**	**1.58**	**1,401.79**	**2,956.02**
* Refer Cash Flow Statement				
Earmarked balances				
In Current Accounts	-	-	19.33	20.84
In Term Deposit Accounts	0.08	1.58	1,178.36	2,328.59
In Margin Money	-	-	1.03	0.93

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 20 REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Turnover	31,166.40	28,769.60
Export Turnover	7,597.01	5,888.88
	38,763.41	**34,658.48**
Less: Excise duty	3,375.78	2,598.01
	35,387.63	**32,060.47**
Other Operating Revenues		
Carbon Credits	17.07	13.37
Miscellaneous Income	87.11	48.82
	104.18	**62.19**
Total:	**35,491.81**	**32,122.66**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

		(₹ in crores)
Particulars	**For the year ended 31st March, 2013**	**For the year ended 31st March, 2012**
Note 21 OTHER INCOME		
Interest Income	222.41	138.46
Dividend Income from long-term Investments	5.89	8.67
Profit on sale of current investment	16.79	14.90
Profit on sale of Long term investment	15.79	16.45
Provision for Doubtful Debts/Loans/Advances written back (net)	-	0.74
Profit on sale of fixed assets (net)	-	0.08
Total:	**260.88**	**179.30**

		(₹ in crores)
Particulars	**For the year ended 31st March, 2013**	**For the year ended 31st March, 2012**
Note 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Opening Stock :		
Semi Finished /Finished Goods	1,465.78	1,378.50
Work-in-progress	507.16	263.74
	1,972.94	**1,642.24**
Closing Stock :		
Semi Finished /Finished Goods	1,920.54	1,465.78
Work-in-progress	287.28	507.16
	2,207.82	**1,972.94**
	(234.88)	**(330.70)**
Excise duty on stock of finished goods (net)	62.42	32.89
Total:	**(172.46)**	**(297.81)**

		(₹ in crores)
Particulars	**For the year ended 31st March, 2013**	**For the year ended 31st March, 2012**
Note 23 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	592.98	538.68
Contribution to Provident and Other Funds	38.38	46.12
Expenses on employees stock option scheme	5.70	10.28
Staff Welfare Expenses	33.91	30.79
Total:	**670.97**	**625.87**

		(₹ in crores)
Particulars	**For the year ended 31st March, 2013**	**For the year ended 31st March, 2012**
Note 24 FINANCE COSTS		
Interest (Refer Note 26 (19))	1,644.26	1,107.19
Other borrowing costs	80.22	79.22
Total:	**1,724.48**	**1,186.41**

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

		(₹ in crores)
Particulars	**For the year ended 31st March, 2013**	**For the year ended 31st March, 2012**
Note 25 OTHER EXPENSES		
Stores and Spares consumed	1,592.75	1,359.86
Power and Fuel	1,964.09	1,683.84
Rent	11.91	9.68
Repairs & Maintenance		
Plant & Machinery	728.98	609.01
Buildings	71.98	46.88
Others	16.06	14.59
Insurance	49.81	55.14
Rates and Taxes	13.68	13.94
Carriage and Freight	1,222.87	919.91
Jobwork and Processing Charges	96.36	81.86
Commission on Sales	22.53	39.82
Donations & Contributions	3.16	2.97
Miscellaneous Expenses	282.71	287.32
Provision for Doubtful Debts/Loans/Advances (net)	4.34	-
Loss on sale of fixed assets (net)	2.30	-
Provision for Diminution in Value of Investments	0.58	1.37
Total:	**6,084.11**	**5,126.19**

Note 26 NOTES TO ACCOUNTS

1. **Contingent Liabilities not provided for in respect of :**

   a) Bills Discounted ₹ 3,012.92 crores (Previous year ₹ 3,117.13 crores).

   b) Guarantees provided to banks on behalf of subsidiaries ₹ 1,223.95 crores (Previous year ₹ 1,096.27 crores).

   c) Disputed claims/levies (excluding interest, if any), in respect of:

      (i) Excise Duty ₹ 199.82 crores (Previous year ₹ 200.27 crores);

      (ii) Custom Duty ₹ 632.76 crores (Previous year ₹ 477.44 crores);

      (iii) Income Tax ₹ 1.47 crores (Previous year ₹ 1.47 crores);

      (iv) Sales Tax / Special Entry tax ₹ 226.93 crores (Previous year ₹ 170.30 crores);

      (v) Service Tax ₹ 98.10 crores (Previous year ₹ 70.08 crores);

      (vi) Miscellaneous ₹ 0.05 crores (Previous year ₹ 0.05 crores);

      (vii) Levies by local authorities ₹ 3.04 crores (Previous year ₹ 3.04 crores); and

      (viii) Claims etc. by suppliers and other parties (including for Forest Development Tax) ₹ 872.79 crores (Previous year ₹ 509 crores)

      In 2008, the State of Karnataka levied a Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT filed before Karnataka High Court by various stakeholders are pending for disposal. Accordingly, the Company has disclosed in the financial statements FDT paid under protest of ₹ 650.75 crores (including under e auction) as an advance and ₹ 866.03 crores (above) as a contingent liability.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 3,217.49 crores (Previous year ₹ 3,729.12 crores).

3. **Other Commitments :**

   (a) The company has issued an undertaking to associate bankers for non disposal of its investment of ₹ 2,357.11 crores (Previous year ₹ 2,357.11) in an associate till that entity repays its debts.

   (b) The Company from time to time provides need based support to subsidiaries and a joint venture entity towards capital and other requirements.

(c) The company has imported capital goods under the Export Promotion Capital Goods Scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to ₹ 10,903.50 crores (Previous year ₹ 16,912.59 crores) by the company within the stipulated period.

4. On 3rd May 2013 the Bombay High Court sanctioned a Composite Scheme of Amalgamation and Arrangement under sections 391 to 394 of the Companies Act, 1956 amongst JSW Steel Limited, JSW ISPAT Steel Limited, JSW Building Systems Limited, JSW Steel Coated Products Limited and their respective shareholders and creditors with effect from 1 July 2012, being the appointed date. The certified copy of the Court Order is awaited, on receipt of which the Company will initiate requisite formalities to give effect to the Scheme. Accordingly therefore, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

5. In respect of the Company's long term, strategic investment in one of its subsidiaries, JSW Steel (USA) Inc., the Company periodically reviews and assesses its business plans and expected future cash flows. The company has also considered recent independent valuations of the underlying fixed assets. Whilst the subsidiary may have a longer gestation period than originally envisaged, the Company has concluded that the decline is temporary and no provision against the carrying amounts of investments and loans of ₹ 3,155.65 crores relating to the subsidiary is presently necessary.

6. Due to the significant movement and volatility in the value of the rupee against US dollar, the net foreign exchange loss has been considered by the Company as exceptional in nature.

7. Details of utilization of funds received on preferential allotment :

Issue of Fully Convertible Debenture

		(₹ in crores)
	Current Year	**Previous Year**
Net issue proceeds/Previous Year Balance	Nil	1,010.00
Less: Utilization		
Debt Repayment / Reduction	Nil	Nil
Investment in JSW Ispat Steel Limited	Nil	200.00
Working Capital	Nil	810.00
Capital Expenditure	Nil	Nil
Balance held in Fixed deposits with banks pending utilization	Nil	Nil

8. Employee Share based Payment Plans:

a) The Company operates an employee share-based payments plan, which is described below:

Particulars	**ESOP 2012**		**ESOP 2010**
	Initial Grant (Junior Manager & Above)	**1st Subsequent Grant (Junior Manager & Above)**	**Scheme 1 (Junior Manager & Above)**
Date of grant	26-Jul-12	26-Jul-12	1-Oct-10
Outstanding as on 01.04.2012	-	-	1,712,075
Granted during the year	3,135,744	1,602,480	-
Transfer arising from transfer of employees from group companies	26,069	14,870	-
Forfeited during the year	68,983	64,264	1,712,075
Exercised during the year	-	-	-
Outstanding as on 31.03.2013	3,092,830	1,553,086	-
Vesting Period	30-Sep-13 till 30-Sep-17	30-Sep-13 till 30-Sep-17	Graded vesting over 3 years
Method of settlement	Cash	Cash	Cash
Exercise Price	700	700	1,100

b) Expenses arising from employee's share- based payment plans ₹ 5.79 crores (Previous year ₹ 10.68 crores).

9. Derivatives:

a) The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The use of foreign currency forward contracts is governed by the Company's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Company's Risk Management Policy

The Forward Exchange Contracts entered into by the Company and outstanding are as under:

(₹ in crores)

As at	No. of Contracts	Type	US$ equivalent (Million)	INR Equivalent (crores)
31.03.2013	9	Buy	55.16	300.01
	13	Sell	99.37	540.46
31.03.2012	25	Buy	144.79	740.69
	76	Sell	241.72	1,236.58

b) The Company also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on capital account. Such transactions are governed by the strategy approved by the Board of Directors, which provide principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Notional value of Interest Rate Swaps (IRS) to hedge against fluctuations in interest rate changes are as under:

(₹ in crores)

As at	No. of Contracts	US$ Equivalent of notional value (Million)	MTM of IRS (INR crores)
31.03.2013	7	60	(12.26)
31.03.2012	7	70	(13.90)

Currency Swap to hedge against fluctuations in changes in exchange rate and interest rate:

(₹ in crores)

As at	No. of Contracts	US$ Equivalent of notional value (Million)	MTM of Currency Swap (INR crores)
31.03.2013	-	-	-
31.03.2012	1	25.00	(15.30)

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following:

Particulars	Current Year		Previous Year	
	US$ equivalent (Million)	INR Equivalent (crores)	US$ equivalent (Million)	INR Equivalent (crores)
Trade Receivables	11.26	61.22	2.35	12.01
Balances with banks				
- in Fixed Deposit Account	0.01	0.03	0.01	0.04
- in Current Account	0.01	0.04	0.03	0.13
Advances/Loans to Subsidiaries	692.91	3,768.69	500.13	2,558.50

b) Amounts payable in foreign currency on account of the following:

Particulars	Current Year		Previous Year	
	US$ equivalent (Million)	INR Equivalent (crores)	US$ equivalent (Million)	INR Equivalent (crores)
Loans Payable	1,225.39	6,664.83	1,149.00	5,877.90
Advance from Customer	29.18	128.49	80.92	356.39
Acceptances	1,139.94	6,200.03	1,152.43	5,895.41
Trade Payables	128.83	700.69	115.06	588.59
Payable for Capital Projects	407.96	2,218.87	413.18	2,113.69
Interest Accured but not due on Borrowings	9.99	54.32	6.94	35.52
Redemption premium payable on FCCB's	-	-	110.52	565.36

10. Research and Development Activities:

Disclosure as required under Section 35(2AB) of the Income Tax Act, 1961.

a) Fixed Assets includes the capital cost of in-house research recognised facility as under:-

(₹ in crores)

Particulars		Buildings	Plant and Machinery	Others	Total
Gross Block at the beginning of the year	Current Year	**7.61**	**101.04**	**0.22**	**108.87**
	Previous Year	1.47	27.53	-	29.00
Additions during the year	Current Year	**0.07**	**26.56**	**0.16**	**26.79**
	Previous Year	6.14	73.51	0.22	79.87
Gross Block at the end of the year	Current Year	**7.68**	**127.60**	**0.38**	**135.66**
	Previous Year	7.61	101.04	0.22	108.87
Capital Work in Progress	Current Year	**-**	**17.98**	**0.11**	**18.09**
	Previous Year	-	7.60	0.03	7.63
Capital Expenditure incurred during the year (including CWIP)	Current Year	**0.07**	**36.94**	**0.24**	**37.25**
	Previous Year	3.46	47.82	0.25	51.53

b) The manufacturing and other expenses and depreciation include ₹ 8.62 crores (previous year ₹ 9.28 crores) and ₹ 7.30 crores (previous year ₹ 3.52 crores), respectively, in respect of Research and Development activities undertaken during the year.

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

11. Employee Benefits:

a) Defined Contribution Plan:

Company's contribution to Provident Fund ₹ 25.62 crores. (Previous Year ₹ 24 crores)

b) Defined Benefit Plans-

(i) **Gratuity:**

		(₹ in crores)
	Current Year	**Previous Year**
a) Liability recognized in the Balance Sheet		
i) Present value of obligation		
Opening Balance	73.65	49.60
Service Cost	6.48	4.59
Interest Cost	6.26	3.97
Actuarial loss on obligation	6.37	18.26
Benefits paid	(2.66)	(2.77)
Closing Balance	**90.10**	**73.65**
Less:		
ii) Fair Value of Plan Assets		
Opening Balance	49.99	38.10
Expected Return on Plan assets less loss on investments	4.30	3.05
Actuarial gain / (loss) on Plan Assets	1.37	(0.78)
Employers' Contribution	0.03	11.54
Benefits paid	(2.68)	(1.92)
Closing Balance	**53.01**	**49.99**
Amount recognized in Balance Sheet	**37.09**	**23.66**
b) Expenses during the year(included in Note 23 under Contribution to Provident and Other Funds)		
Service cost	6.48	4.59
Interest cost	6.26	3.97
Expected Return on Plan assets	(4.30)	(3.05)
Actuarial Loss	5.00	19.04
Transferred to preoperative expenses	(0.23)	(0.78)
Total	**13.21**	**23.77**
c) Actual Return on plan assets	**5.67**	**2.28**
d) Break up of Plan Assets :		
(i) ICICI Prudential Life Insurance Co. Limited		
Balanced Fund	2.74	3.40
Group Debt Fund	11.23	4.10
Group Short Term Debt Fund	0.06	1.52
Endowment plan	-	6.20
(ii) HDFC Standard Life Insurance Co. Limited		
Defensive Managed Fund	1.14	1.04
Stable Managed Fund	12.54	11.46
(iii) SBI Life Insurance Co. Limited – Cap Assured Fund	18.07	15.52
(iv) LIC of India – Insurer Managed Fund	7.23	6.74
e) Principal actuarial assumptions		
Rate of Discounting	8.25% p.a.	8.5% p.a.
Expected Return on Plan Assets	8.7% p.a.	8.6% p.a.
Rate of increase in salaries	6% p.a.	6% p.a.
Attrition Rate	2% p.a.	2% p.a.

The Company expects to contribute ₹ 37.09 crores (previous year ₹ 23.66 crores) to its Gratuity Plan for the next year.

In assessing the Company's Post Retirement Liabilities, the Company monitors mortality assumptions and uses up-to-date mortality tables, the base being the Indian Assured Lives Mortality (2006-08) Ultimate.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Other disclosures:

(₹ in crores)

Particulars	Current Year	2011-12	2010-11	2009-10	2008-09
Defined Benefit Obligation	90.10	73.65	49.60	36.91	31.22
Plan Assets	53.01	49.99	38.10	33.66	26.14
(Deficit)	(37.09)	(23.66)	(11.50)	(3.25)	(5.08)
Experience Adjustments on Plan Liabilities – Loss/(Gain)	3.89	21.40	7.71	1.44	1.42
Experience Adjustments on Plan Assets – Gain/(Loss)	1.37	(0.78)	(0.46)	0.08	(1.22)

(ii) **Provident Fund:**

The company makes monthly contributions to Provident Fund managed by Trust for qualifying employees. Under the scheme, the company is required to contribute a specified percentage of the payroll costs to fund the benefits.

In keeping with the Guidance on Implementing Accounting Standard (AS) 15 (Revised) on Employee Benefits notified by the Companies (Accounting Standards) Rules, 2006, employer established provident fund trusts are treated as Defined Benefit Plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. According to the Defined Benefit Obligation of Interest rate Guarantee on exempted Provident Fund in respect of employees of the company as at 31st March, 2013 works out to ₹ Nil (previous year ₹ Nil) and hence no provision is required to be provided for in the books of accounts towards the guarantee given for notified interest rates.

Actuarial assumptions made to determine Interest Rate Guarantee on Exempt Provident Fund Liabilities are as follows:

Particulars	31 March 2013	31 March 2012
Rate of Discounting	8.25%	8.50%
Rate of return on assets	9.14%	9.04%
Guaranteed Rate of Return	8.50%	8.25%

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

12. Segment Reporting:

The Company is primarily engaged in the business of manufacture and sale of Iron and Steel Products. The Company has identified two primary business segments, namely Steel and Power (used mainly for captive consumption), which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segments.

Information about Primary Business Segments

(₹ in crores)

Particulars	Current Year 31.03.2013				Previous Year 31.03.2012			
	Steel	Power	Eliminations	Total	Steel	Power	Eliminations	Total
INCOME								
External Sales	34,403.28	1,088.53		35,491.81	31,751.89	370.77		32,122.66
Inter Segment Revenue	1,674.85	3,040.97	(4,715.82)	-	1,305.74	2,340.11	(3,645.85)	-
Total Income	**36,078.13**	**4,129.50**	**(4,715.82)**	**35,491.81**	**33,057.63**	**2,710.88**	**(3,645.85)**	**32,122.66**
SEGMENT RESULTS								
Segment/ Operating Results	2,886.42	1,081.88		3,968.30	2,568.26	535.60		3,103.86
Un-allocated Items: (Expenses) / Income				260.30				177.11
Finance Costs				(1,724.48)				(1,186.41)
Provision for Taxation				(702.90)				(468.70)
Net Profit				**1,801.22**				**1,625.86**
OTHER INFORMATION								
Segment Assets	44,756.04	2,514.93		47,270.97	39,822.66	2,235.49		42,058.15
Un-allocated Assets				7,344.38				8,532.96
Total Assets				**54,615.35**				**50,591.11**
Segment Liabilities	12,287.51	523.59		12,811.10	12,425.71	376.13		12,801.84
Un-allocated Liabilities & Provisions				21,866.88				19,291.78
Total Liabilities				**34,677.98**				**32,093.62**
Depreciation and amortisation expense	1,848.60	125.29		1,973.89	1,628.43	79.74		1,708.17
Total Cost incurred during the year to acquire Segment Assets	**5,003.31**	**44.34**		**5,047.65**	**4,227.74**	**485.10**		**4,712.84**

Notes:

1. Inter Segment transfer from the power segment is measured at the rate at which power is purchased/sold from/to the respective Electricity Board.
2. Inter Segment transfer from the steel segment is measured on the basis of fuel cost.

13. Related Parties disclosure as per Accounting Standard (AS) – 18:

A) List of Related Parties

Parties with whom the Company has entered into transactions during the period where control exists :

1 Subsidiaries

JSW Steel (Netherlands) B.V.
JSW Steel (UK) Limited
Argent Independent Steel (Holdings) Limited
JSW Steel Service Centre (UK) Limited
JSW Steel Holding (USA) Inc.
JSW Steel (USA) Inc.
Periama Holdings, LLC
Purest Energy, LLC
Meadow Creek Minerals, LLC
Hutchinson Minerals, LLC

R.C. Minerals, LLC
Keenan Minerals, LLC
Peace Leasing, LLC
Prime Coal, LLC
Planck Holdings, LLC
Rolling S Augering, LLC
Periama Handling, LLC
Lower Hutchinson Minerals, LLC
Caretta Minerals, LLC
JSW Panama Holdings Corporation
Inversiones Eroush Limitada
Santa Fe Mining
Santa Fe Puerto S.A.
JSW Natural Resources Limited
JSW Natural Resources Mozambique Limitada
JSW ADMS Carvo Lda
JSW Mali Resources SA (w.e.f. 18.02.2013)
JSW Steel Processing Centres Limited
JSW Bengal Steel Limited
JSW Natural Resources India Limited
Barbil Beneficiation Company Limited
JSW Jharkhand Steel Limited
JSW Building Systems Limited
JSW Steel East Africa Limited
Amba River Coke Limited
JSW Energy (Bengal) Limited
JSW Natural Resource Bengal Limited (w.e.f. 03.04.2012)
JSW Steel Coated Products Limited (w.e.f. 31.08.2012)

2 Associates

Jindal Praxair Oxygen Company Private Limited
JSW Ispat Steel Limited
JSW Energy (Bengal) Limited (upto 04.03.2012)

3 Joint Ventures

Vijayanagar Minerals Private Limited
Rohne Coal Company Private Limited
JSW Severfield Structures Limited
Gourangdih Coal Limited
Toshiba JSW Turbine and Generator Private Limited
MJSJ Coal Limited
GEO Steel LLC
JSW Structural Metal Decking Limited
JSW MI Steel Service Center Private Limited

4 Key Management Personnel (KMP)

Mr. Sajjan Jindal
Mr. Seshagiri Rao M V S
Dr. Vinod Nowal
Mr. Jayant Acharya

5 Relative of Key Managerial Personnel

Mrs. Savitri Devi Jindal
Mr. Parth Jindal

6 Enterprises over which Key Management Personnel and Relatives of such personnel exercise significant influence.

JSW Energy Limited
JSL Limited
JSW Realty & Infrastructure Private Limited
Jindal Saw Limited
Jindal Steel & Power Limited
JSOFT Solutions Limited
Jindal Industries Limited
Jindal Aluminum Limited
JSW Cement Limited

JSW Jaigarh Port Limited
Reynold Traders Private Limited
Raj West Power Limited
JSW Power Trading Company Limited
JSW Aluminim Limited
O P Jindal Foundation
JSW Infrastructure Limited
South West Port Limited
JSW Techno Projects Management Limited
South West Mining Limited
JSL Architecture Limited
JSW Projects Limited
Sapphire Technologies Limited
Jindal Technologies & Management Services Private Limited

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
B. Transactions with related parties							
Party's Name							
Purchase of Goods / Power & Fuel / Services							
JSW Energy Limited	-	-	-	-	-	349.16	349.16
	-	-	-	-	-	388.58	388.58
JSW Ispat Steel Limited	-	3,539.91	-	-	-	-	3,539.91
	-	2,741.54	-	-	-	-	2,741.54
Others	63.53	188.29	0.73	-	-	600.40	852.95
	61.00	111.59	14.98	-	-	411.79	599.36
Total	**63.53**	**3,728.20**	**0.73**	**-**	**-**	**949.56**	**4,742.02**
	61.00	2,853.13	14.98	-	-	800.37	3,729.48
Reimbursement of Expenses incurred on our behalf by							
JSW Energy (Bengal) Limited	-	-	-	-	-	-	-
	15.38	-	-	-	-	-	15.38
JSW Ispat Steel Limited	-	5.27	-	-	-	-	5.27
	-	3.35	-	-	-	-	3.35
JSW Energy Limited	-	-	-	-	-	1.26	1.26
	-	-	-	-	-	-	-
Others	0.50	-	0.51	-	-	0.12	1.13
	0.06	-	0.26	-	-	0.03	0.35
Total	**0.50**	**5.27**	**0.51**	**-**	**-**	**1.38**	**7.66**
	15.44	3.35	0.26	-	-	0.03	19.08
Material Taken on Loan							
JSW Energy Limited	-	-	-	-	-	31.80	31.80
	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**31.80**	**31.80**
	-	-	-	-	-	-	-

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Sales of Goods/ Power & Fuel/ Other Income							
JSW Steel (USA) Inc.	-	-	-	-	-	-	-
	369.55	-	-	-	-	-	369.55
Jindal Saw Limited	-	-	-	-	-	301.52	301.52
	-	-	-	-	-	337.55	337.55
JSW Energy Limited	-	-	-	-	-	41.09	41.09
	-	-	-	-	-	468.30	468.30
Jindal Industries Limited	-	-	-	-	-	362.52	362.52
	-	-	-	-	-	257.30	257.30
JSW Ispat Steel Limited	-	488.24	-	-	-	-	488.24
	-	1,215.19	-	-	-	-	1,215.19
JSW Power Trading Company Limited	-	-	-	-	-	1,015.66	1,015.66
	-	-	-	-	-	298.97	298.97
Others	63.76	8.76	27.16	-	-	229.98	329.66
	26.47	8.28	6.42	-	-	237.94	279.11
Total	**63.76**	**497.00**	**27.16**	**-**	**-**	**1,950.77**	**2,538.69**
	396.02	1,223.47	6.42	-	-	1,600.06	3,225.97
Other Income / Interest income/ Dividend Income							
JSW Steel (Netherlands) B.V.	30.78	-	-	-	-	-	30.78
	41.55	-	-	-	-	-	41.55
Inversiones Eurosh Limitada	22.06	-	-	-	-	-	22.06
	16.59	-	-	-	-	-	16.59
JSW Steel Holding (USA) Inc.	126.35	-	-	-	-	-	126.35
	44.04	-	-	-	-	-	44.04
Others	1.71	4.38	0.06	-	-	6.66	12.81
	5.69	1.92	0.42	-	-	9.42	17.45
Total	**180.90**	**4.38**	**0.06**	**-**	**-**	**6.66**	**192.00**
	107.87	1.92	0.42	-	-	9.42	119.63
Purchase of Assets							
Jindal Steel & Power Limited	-	-	-	-	-	182.21	182.21
	-	-	-	-	-	128.72	128.72
South West Mining Limied	-	-	-	-	-	14.95	14.95
	-	-	-	-	-	39.29	39.29
JSW Energy Limited	-	-	-	-	-	15.99	15.99
	-	-	-	-	-	28.07	28.07
JSW Severfield Structures Limited	-	-	105.25	-	-	-	105.25
	-	-	36.18	-	-	-	36.18
Others	0.07	13.60	-	-	-	69.24	82.91
	-	2.48	-	-	-	36.82	39.30
Total	**0.07**	**13.60**	**105.25**	**-**	**-**	**282.39**	**401.31**
	-	2.48	36.18	-	-	232.90	271.56
Lease & Other deposits given							
JSW Projects Limited	-	-	-	-	-	-	-
	-	-	-	-	-	1.99	1.99
Total	-	-	-	-	-	-	-
	-	-	-	-	-	1.99	1.99

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Advance given Received back							
JSW Aluminum Limited	–	–	–	–	–	–	–
	–	–	–	–	–	0.16	0.16
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	–	–	–	–	–	0.16	0.16
Loan given Received back							
JSW Steel (Netherlands) B.V	846.52	–	–	–	–	–	846.52
	12.12	–	–	–	–	–	12.12
JSW Steel Holding (USA) Inc.	171.10	–	–	–	–	–	171.10
	333.30	–	–	–	–	–	333.30
Inversiones Eurosh Limitada	–	–	–	–	–	–	–
	11.93	–	–	–	–	–	11.93
JSW Natural resources Limited	0.74	–	–	–	–	–	0.74
	–	–	–	–	–	–	–
Total	**1,018.36**	**-**	**-**	**-**	**-**	**-**	**1,018.36**
	357.35	–	–	–	–	–	357.35
Loan given							
JSW Steel (Netherlands) B.V.	253.14	–	–	–	–	–	253.14
	217.29	–	–	–	–	–	217.29
JSW Steel Holding (USA) Inc.	1,620.85	–	–	–	–	–	1,620.85
	1,033.46	–	–	–	–	–	1,033.46
Others	108.31	–	–	–	–	–	108.31
	8.20	–	–	–	–	–	8.20
Total	**1,982.30**	**-**	**-**	**-**	**-**	**-**	**1,982.30**
	1,258.95	–	–	–	–	–	1,258.95
Donation Given							
O.P. Jindal Foundation	–	–	–	–	–	0.50	0.50
	–	–	–	–	–	0.49	0.49
Total	**-**	**-**	**-**	**-**	**-**	**0.50**	**0.50**
	–	–	–	–	–	0.49	0.49
Recovery of Expenses incurred by us on their behalf							
JSW Energy Limited	–	–	–	–	–	2.70	2.70
	–	–	–	–	–	4.06	4.06
JSW Ispat Steel Limited	–	14.59	–	–	–	–	14.59
	–	6.82	–	–	–	–	6.82
Others	1.05	–	–	–	–	3.61	4.66
	0.07	–	0.03	–	–	1.61	1.71
Total	**1.05**	**14.59**	**-**	**-**	**-**	**6.31**	**21.95**
	0.07	6.82	0.03	–	–	5.67	12.59
Investments / Share Application Money given during the year							
Amba River Coke Limited	107.19	–	–	–	–	–	107.19
	67.49	–	–	–	–	–	67.49
JSW Bengal Steel Limited	93.78	–	–	–	–	–	93.78
	95.23	–	–	–	–	–	95.23
JSW Steel (Netherlands) B.V.	–	–	–	–	–	–	–
	62.15	–	–	–	–	–	62.15
Others	7.66	–	57.05	–	–	–	64.71
	15.72	–	18.99	–	–	–	34.71
Total	**208.63**	**-**	**57.05**	**-**	**-**	**-**	**265.68**
	240.59	–	18.99	–	–	–	259.58

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Investments / Share Application Money refunded during the year.							
Amba River Coke Limited	1.05	–	–	–	–	–	1.05
	–	–	–	–	–	–	–
JSW Bengal Steel Limited	–	–	–	–	–	–	–
	3.40	–	–	–	–	–	3.40
JSW Severfield Structures Limited	–	–	–	–	–	–	–
	–	–	0.36	–	–	–	0.36
Total	**1.05**	**-**	**-**	**-**	**-**	**-**	**1.05**
	3.40	–	0.36	–	–	–	3.76
Redemption of Shares							
Jindal Praxair Oxygen Company Private Limited	–	54.66	–	–	–	–	54.66
	–	26.33	–	–	–	–	26.33
Total	**-**	**54.66**	**-**	**-**	**-**	**-**	**54.66**
	–	26.33	–	–	–	–	26.33
Remuneration							
Mrs. Savitri Devi Jindal	–	–	–	–	–	–	–
	–	–	–	–	0.15	–	0.15
Mr. Sajjan Jindal	–	–	–	20.25	–	–	20.25
	–	–	–	18.18	–	–	18.18
Mr. Seshagiri Rao M V S	–	–	–	3.61	–	–	3.61
	–	–	–	3.39	–	–	3.39
Dr. Vinod Nowal	–	–	–	2.70	–	–	2.70
	–	–	–	2.52	–	–	2.52
Mr. Jayant Acharya	–	–	–	2.33	–	–	2.33
	–	–	–	2.21	–	–	2.21
Mr. Parth Jindal	–	–	–	–	0.04	–	0.04
	–	–	–	–	–	–	–
Total	**-**	**-**	**-**	**28.89**	**0.04**	**-**	**28.93**
	–	–	–	26.30	0.15	–	26.45
Guarantees and collaterals provided by the Company on behalf of							
JSW Steel Holding (USA) Inc.	217.16	–	–	–	–	–	217.16
	–	–	–	–	–	–	–
Total	**217.16**	**-**	**-**	**-**	**-**	**-**	**217.16**
	–	–	–	–	–	–	–
Guarantees and collaterals released							
JSW Steel Processing Centres Limited	–	–	–	–	–	–	–
	8.73	–	–	–	–	–	8.73
JSW Steel Holding (USA) Inc.	216.20	–	–	–	–	–	216.20
	–	–	–	–	–	–	–
Total	**216.20**	**-**	**-**	**-**	**-**	**-**	**216.20**
	8.73	–	–	–	–	–	8.73

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
C. Closing balance of related parties							
Trade payables							
JSW Ispat Steel Limited	–	32.58	–	–	–	–	32.58
	–	–	–	–	–	–	–
Jindal Praxair Oxygen Company Private Limited	–	17.42	–	–	–	–	17.42
	–	12.63	–	–	–	–	12.63
South West Port Limited	–	–	–	–	–	26.90	26.90
	–	–	–	–	–	14.31	14.31
JSW Steel Processing Centres Limited	25.89	–	–	–	–	–	25.89
	20.28	–	–	–	–	–	20.28
JSW Energy Limited	–	–	–	–	–	113.30	113.30
	–	–	–	–	–	42.17	42.17
JSW Energy (Bengal) Limited	15.38	–	–	–	–	–	15.38
	15.38	–	–	–	–	–	15.38
South West Mining Limited	–	–	–	–	–	30.71	30.71
	–	–	–	–	–	4.50	4.50
Others	–	–	0.40	–	–	36.13	36.53
	1.38	–	3.50	–	–	5.75	10.63
Total	**41.27**	**50.00**	**0.40**	**-**	**-**	**207.04**	**298.71**
	37.04	12.63	3.50	–	–	66.73	119.90
Advance received from Customers							
JSW Jaigarh Port Limited	–	–	–	–	–	1.30	1.30
	–	–	–	–	–	0.08	0.08
Jindal Saw Limited	–	–	–	–	–	–	–
	–	–	–	–	–	0.14	0.14
Raj west Power Limited	–	–	–	–	–	1.86	1.86
	–	–	–	–	–	0.87	0.87
Jindal Steel & Power Limited	–	–	–	–	–	1.51	1.51
	–	–	–	–	–	–	–
Total	**-**	**-**	**-**	**-**	**-**	**4.67**	**4.67**
	–	–	–	–	–	1.09	1.09
Lease & Other deposit received							
Jindal Praxair Oxygen Company Private Limited	–	3.83	–	–	–	–	3.83
	–	3.83	–	–	–	–	3.83
JSW Energy Limited	–	–	–	–	–	10.19	10.19
	–	–	–	–	–	10.19	10.19
Jindal Saw Limited	–	–	–	–	–	5.00	5.00
	–	–	–	–	–	5.00	5.00
JSW Severfield Structures Limited	–	–	13.00	–	–	–	13.00
	–	–	13.00	–	–	–	13.00
Others	–	–	–	–	–	5.50	5.50
	–	–	–	–	–	5.49	5.49
Total	**-**	**3.83**	**13.00**	**-**	**-**	**20.69**	**37.52**
	–	3.83	13.00	–	–	20.68	37.51

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Trade receivables							
JSW Cement Limited	–	–	–	–	–	37.59	37.59
	–	–	–	–	–	24.83	24.83
JSW Steel (USA) Inc.	–	–	–	–	–	–	–
	37.57	–	–	–	–	–	37.57
JSW Power Trading Company Limited	–	–	–	–	–	364.35	364.35
	–	–	–	–	–	66.91	66.91
JSW Ispat Steel Limited	–	54.82	–	–	–	–	54.82
	–	25.98	–	–	–	–	25.98
Amba River Coke Limited	38.07	–	–	–	–	–	38.07
	26.18	–	–	–	–	–	26.18
Others	–	–	–	–	–	51.21	51.21
	–	–	–	–	–	25.48	25.48
Total	**38.07**	**54.82**	**-**	**-**	**-**	**453.15**	**546.04**
	63.75	25.98	–	–	–	117.22	206.95
Share Application Money Given							
JSW Steel (Netherlands) B V	–	–	–	–	–	–	–
	62.15	–	–	–	–	–	62.15
Vijayanagar Minerals Private Limited	–	–	4.05	–	–	–	4.05
	–	–	4.05	–	–	–	4.05
Rohne Coal Company Limited	–	–	8.75	–	–	–	8.75
	–	–	4.81	–	–	–	4.81
Others	0.23	–	0.23	–	–	–	0.46
	0.42	–	0.05	–	–	–	0.47
Total	**0.23**	**-**	**13.03**	**-**	**-**	**-**	**13.26**
	62.57	–	8.91	–	–	–	71.48
Capital /Revenue Advances							
JSW Projects Limited	–	–	–	–	–	251.31	251.31
	–	–	–	–	–	–	–
JSW Severfield structures Limited	–	–	16.50	–	–	–	16.50
	–	–	10.85	–	–	–	10.85
Jindal Steel & Power Limited	–	–	–	–	–	–	–
	–	–	–	–	–	14.71	14.71
Others	–	–	–	–	–	2.36	2.36
	–	–	–	–	–	0.17	0.17
Total	**-**	**-**	**16.50**	**-**	**-**	**253.67**	**270.17**
	–	–	10.85	–	–	14.88	25.73
Loan and Advances given							
JSW Steel (Netherlands) B.V.	449.31	–	–	–	–	–	449.31
	949.93	–	–	–	–	–	949.93
JSW Steel Holding (USA) Inc.	2,782.66	–	–	–	–	–	2,782.66
	1,223.46	–	–	–	–	–	1,223.46
Inversiones Eurosh Limitada	481.74	–	–	–	–	–	481.74
	363.56	–	–	–	–	–	363.56
Others	57.86	–	0.38	–	–	71.09	129.33
	23.96	–	0.38	–	–	47.64	71.98
Total	**3,771.57**	**-**	**0.38**	**-**	**-**	**71.09**	**3,843.04**
	2,560.91	–	0.38	–	–	47.64	2,608.93
Investments held by the Company							
JSW Steel (Netherlands) B.V.	1,082.14	–	–	–	–	–	1,082.14
	1,020.02	–	–	–	–	–	1,020.02

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	Subsidiaries	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
JSW Ispat Steel Limited	-	2,357.11	-	-	-	-	2,357.11
	-	2,357.11	-	-	-	-	2,357.11
Others	696.93	27.28	140.06	-	-	250.90	1,115.17
	489.15	66.15	87.12	-	-	250.90	893.32
Total	**1,779.07**	**2,384.39**	**140.06**	**-**	**-**	**250.90**	**4,554.42**
	1,509.17	2,423.26	87.12	-	-	250.90	4,270.45
Guarantees and collaterals provided by the Company on behalf:							
JSW Steel (Netherlands) B.V. and it's subsidiaries for USA and Chile acquisition	815.84	-	-	-	-	-	815.84
	189.47	-	-	-	-	-	189.47
JSW Steel Holding (USA) Inc.	408.11	-	-	-	-	-	408.11
	906.80	-	-	-	-	-	906.80
Total	**1,223.95**	**-**	**-**	**-**	**-**	**-**	**1,223.95**
	1,096.27	-	-	-	-	-	1,096.27

Figures in blue colour represents current year numbers

14. Operating Lease

a) As Lessor:

i. The Company has entered into lease arrangements, for renting :

2,279 houses (admeasuring approximately 1,410,997 square feet) at the rate of ₹ 100/- per house per annum, for a period of 180 months.

684 houses (admeasuring approximately 350,103 square feet) at the rate of ₹ 24/- per square feet per annum, for a period of 36 to 60 months.

9 houses (admeasuring approximately 9,027 square feet) at the rate of ₹ 43/- per square feet per month per house, for a period of 60 months.

Office premises (part) admeasuring approximately 15,392 square feet at the rate of ₹ 130 per square feet for a period of 11 months.

The agreements are renewable at the option of the lessee after the end of the lease term.

ii. Disclosure in respect of assets (building) given on operating lease :

(₹ in crores)

Particulars	Current Year	Previous Year
Gross Carrying amount of Assets	192.71	196.68
Accumulated Depreciation	20.68	20.60
Depreciation for the year	3.30	3.19

b) As Lessee:

Lease Rentals charged to revenue for right to use following assets are:

		(₹ in crores)
Particulars	**Current Year**	**Previous Year**
Office Premises, Residential Flats etc.	11.91	9.68
Total:	**11.91**	**9.68**

The agreements are executed for a period of 11 to 180 months with a renewable clause and also provide for termination at will by either party giving a prior notice period of 1 to 3 months.

15. Earnings Per Share (EPS):

			(₹ in crores)
Particulars		**Current Year**	**Previous Year**
Profit after Tax	₹ in Crs	1,801.22	1,625.86
Less: Dividend on preference shares (Including corporate dividend tax)	₹ in Crs	32.43	32.43
Profit after tax for Equity share holders (Numerator)- Basic / Diluted (A)	₹ in Crs	1,768.79	1,593.43
Weighted average number of equity shares for Basic EPS (denominator) (B)	Nos.	223,117,200	223,117,200
Add: Potential Equity Shares on conversion of FCCB's / Warrents	Nos.	-	-*
Weighted average number of equity shares for Diluted EPS (denominator) (C)	Nos.	223,117,200	223,117,200
Earning per share – Basic (A/B)	₹	79.28	71.42
Earning per share – Diluted (A/C) (see note below)	₹	79.28	71.42
Nominal value per share	₹	10	10

* as anti dilutive

Note : There is no dilution to basic EPS during the year as there are no outstanding dilutive potential Equity shares.

16. The Company has the following Joint venture interest in India as at 31st March 2013:

Interest as Venturer

Vijayanagar Minerals Private Limited: Percentage of holding - 40% (Previous year 40 %)

Rohne Coal Company Private Limited: Percentage of holding – 49% (Previous year 49 %)

JSW Severfield Structures Limited : Percentage of holding - 50 % (Previous Year 50%)

Gourangdih Coal Limited : Percentage of holding – 50 % (Previous Year 50 %)

JSW MI Steel Service Center Private Limited : Percentage of holding - 50% (Previous Year 50%)

Interest as Investor

MJSJ Coal Limited: Percentage of holding – 11% (Previous year 11 %)

Toshiba JSW Turbine and Generator Private Limited : Percentage of holding – 2.54% (Previous year 3.67%)

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

The proportionate share of assets, liabilities, income and expenditure of the jointly controlled entities are as under:

(₹ in crores)

Particulars	Current Year (Audited/Based on financial information/ estimates made by the management)	Previous Year (Audited/Based on financial information/ estimates made by the management)
I ASSETS		
Non-Current		
Fixed Assets (including CWIP and Intangible assets under development)	115.88	114.16
Non-current Investments	4.48	3.60
Deferred Tax Asset (net)	0.30	0.27
Long-term loans and advances	4.04	1.15
Other non-current assets	0.76	-
Current Assets		
Current Investments	0.02	0.03
Inventories	3.20	5.30
Trade Receivables	32.78	19.27
Cash and Cash equivalents	37.09	24.05
Short-term loans and advances	12.01	16.04
Other current assets	0.01	0.41
Unbilled Revenue	35.56	20.62
II LIABILITIES		
Non-current Liabilities		
Long-term borrowings	46.99	60.81
Other long-term liabilities	2.50	2.50
Long term provisions	0.28	0.10
Current Liabilities		
Short-term borrowings	26.78	21.81
Trade Payables	41.42	46.37
Other current liabilities	37.49	21.91
Short Term provisions	0.27	0.30
III INCOME		
Revenue from operations	129.43	89.13
Other Income	3.16	4.11
IV EXPENSES		
Cost of materials consumed	1.60	7.21
Cost of Construction	77.40	64.53
Employee benefit expense	19.97	11.23
Finance costs	13.09	11.99
Depreciation and amortisation expense	5.80	5.65
Other Expenses	15.14	13.18
Tax Expenses		
- Current/Deferred Tax	0.84	(0.09)
V OTHER MATTERS		
Contingent Liabilities	6.16	1.87
Capital Commitment	12.40	0.11

17. Additional information:

A) Auditors Remuneration

		(₹ in crores)
Particulars	**Current Year**	**Previous Year**
As Audit Fees (including limited review)	2.41	2.41
For Tax Audit Fees	0.29	0.29
For Certification & other Services	0.86	0.65
Out of Pocket Expenses	0.08	0.04
Total:	**3.64**	**3.39**

B) Installed capacities and production:

	Class of Goods	**Installed capacity (See Note Below) Tonnes**	**Production Tonnes**
1	MS Slabs	8,300,000	6,541,921
		(8,300,000)	*(5,659,244)*
2	Hot Rolled Coils/Steel Plates/Sheets	8,200,000	6,202,129
		(6,700,000)	*(5,268,577)*
3	Hot Rolled Steel Plates	320,000	79,308
		(320,000)	*(96,210)*
4	Cold Rolled Coils/Sheets	1,825,000	1,658,906
		(1,825,000)	*(1,678,010)*
5	Galvanised/Galvalum Coils/Sheets	925,000	996,530
		(925,000)	*(973,062)*
6	Colour Coating Coils / Sheets	426,000	188,569
		(232,000)	*(176,850)*
7	Steel Billets & Bloom	2,500,000	1,977,543
		(2,500,000)	*(1,769,758)*
8	Long Rolled Products	2,450,000	1,798,173
		(2,450,000)	*(15,21,867)*

Notes:

1) As certified by the management and accepted by auditors, being a technical matter.

2) Production of Cold Rolled Coils/Sheets includes 59,483 tonnes (previous year 53,438 tonnes) from a third party on a job work basis.

3) Production of Galvanised/Galvalum Coils/Sheets includes 61,107 tonnes (previous year 55,734 tonnes) from a third party on a job work basis.

C) **Opening Stock, Sales and Closing Stock:**

i) **Manufactured goods**

Class of goods	Opening Stock		Sales		Closing Stock	
	Tonnes	Rupees Crores	Tonnes	Rupees crores	Tonnes	Rupees Crores
MS Slabs	38,890	114.22	77,768	308.80	84,827	224.19
	(32,073)	*(76.93)*	*(198,529)*	*(725.05)*	*(38,890)*	*(114.22)*
Hot Rolled Coils/Steel Plates/Sheets	142,642	452.48	5,031,453	18,888.33	194,735	588.10
	(138,090)	*(384.42)*	*(4,173,888)*	*(15,914.19)*	*(142,642)*	*(452.48)*
Galvanized Coils/Sheets	49,591	231.44	779,810	3,984.45	67,498	322.06
	(61,489)	*(273.28)*	*(795,997)*	*(4,006.12)*	*(49,591)*	*(231.44)*
Cold Rolled Coils/Sheets	54,296	193.70	844,491	3,811.76	62,548	211.94
	(74,816)	*(236.00)*	*(715,157)*	*(3,113.42)*	*(54,296)*	*(193.70)*
Hot Rolled Steel Plates	7,169	25.58	74,629	305.12	4,742	15.28
	(4,855)	*(14.39)*	*(92,543)*	*(392.23)*	*(7,169)*	*(25.58)*
Colour Coating Coils/Sheets	12,972	76.03	176,497	1,100.29	22,327	127.84
	(10,918)	*(60.07)*	*(171,730)*	*(1,049.16)*	*(12,972)*	*(76.03)*
Steel Billets & Blooms	25,914	89.88	179,671	671.70	22,819	78.37
	(28,737)	*(84.21)*	*(210,395)*	*(786.98)*	*(25,914)*	*(89.88)*
Long Rolled Products	65,257	252.83	1,709,009	7,407.21	83,020	308.36
	(59,990)	*(202.74)*	*(1,456,976)*	*(6,098.93)*	*(65,257)*	*(252.83)*
Others		29.62		2,274.32		44.40
		(46.46)		*(2,492.65)*		*(29.62)*
Total		**1,465.78**		**38,751.98**		**1,920.54**
		(1,378.50)		***(34,578.73)***		***(1,465.78)***

ii) **Traded goods**

(₹ in crores)

Description	Current Year	Previous Year
Opening Stock		
Others	-	-
Total	**-**	**-**
Purchases		
Others	10.00	77.50
Total	**10.00**	**77.50**
Sales		
Others	11.43	79.75
Total	**11.43**	**79.75**
Closing Stock		
Others	-	-
Total	**-**	**-**

D) Consumption of Materials:

Description	Current Year		Previous Year	
	Quantity Tonnes	Rupees In crores	Quantity Tonnes	Rupees In crores
Iron ore lumps/fines	17,594,326	5,651.11	14,660,173	4,304.65
Coal/Coke	10,111,594	10,871.32	8,730,477	11,367.50
Hot Rolled Coils	910,011	3,230.19	739,483	2,630.05
Zinc & Alloys	49,721	575.12	46,188	514.11
Others		2,557.58		2,422.87
Total:		**22,885.32**		**21,239.18**
Less: captive consumption		294.95		279.07
Total:		**22,590.37**		**20,960.11**

E) Value of Consumption of directly imported and indigenously obtained raw materials and stores and spares and the percentage of each to total consumption:

Description	Current Year		Previous Year	
	Value Rupees In crores	% of Total Value	Value Rupees In crores	% of Total Value
RAW MATERIALS				
Imported	12,079.83	53.47	12,005.00	57.28
Indigenous	10,510.54	46.53	8,955.12	42.72
Total:	**22,590.37**	**100.00**	**20,960.11**	**100.00**
STORES AND SPARES				
Imported	289.29	18.16	265.59	19.53
Indigenous	1,303.46	81.84	1,094.27	80.47
Total:	**1,592.75**	**100.00**	**1,359.86**	**100.00**

F) C.I.F. Value of Imports:

		(₹ in crores)
Description	**Current Year**	**Previous Year**
-Capital Goods	1,721.39	975.53
-Raw Materials (including Power and Fuel)	10,401.09	12,397.05
-Stores & Spare Parts	467.10	372.39

G) Expenditure in Foreign Currency:

		(₹ in crores)
Description	**Current Year**	**Previous Year**
Interest and Finance charges	263.67	274.82
Ocean Freight	381.46	320.24
Technical Know-how	20.82	-
Commission on sales	7.92	10.17
Legal & Professional Fees	2.41	8.57
Others	13.87	17.81

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

H) Earnings in Foreign Currency:

(₹ in crores)

Description	Current Year	Previous Year
F.O.B. Value of Exports	6,969.35	5,375.22
Sale of Carbon Credits	17.07	13.37
Interest Income	180.88	107.83

I) Remittance in Foreign Currency on account of Dividend:

Dividend to Equity Shareholders :

Description	Current Year	Previous Year
Year to which the Dividend relates	2011-12	2010-11
Number of Non-resident Shareholders	2,910	4,220
Number of Equity Shares held by them	14,124,512	14,213,956
Amount remitted (₹ in crores)	10.59	17.41

18. Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company):

(₹ in crores)

Particulars	Current Year	Previous Year
Principal amount due outstanding as at end of year	18.51	8.19
Interest due on (1) above and unpaid as at end of year	0.34	0.12
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the period	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid as at end of period	-	-
Amount of further interest remaining due and payable in succeeding year	0.34	0.12

19. Interest includes ₹ 2.89 crores (previous year ₹ 2.5 crores) on account of shortfall in payment of Direct Taxes.

20. Comparative financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

For and on behalf of the Board of Directors

SAJJAN JINDAL

Chairman and Managing Director

LANCY VARGHESE — Company Secretary

RAJEEV PAI — Chief Financial Officer

SESHAGIRI RAO M.V.S. — Jt. Managing Director & Group CFO

Place : Mumbai,

Date : 23 May 2013

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of JSW Steel Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of JSW STEEL LIMITED, the Company and its subsidiaries ("the Group") which comprise the Consolidated Balance Sheet as at 31 March 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2013;

(b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

(c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 26(4) to the consolidated financial statements relating to the Scheme of Amalgamation and Arrangement sanctioned by the Bombay High Court on 3 May 2013. The certified copy of the Court Order is awaited, on receipt of which the Company will initiate requisite formalities to give effect to the Scheme. Accordingly therefore, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

Our opinion is not qualified in respect of this matter.

OTHER MATTERS

i. We did not audit the financial statements of thirty three subsidiaries and one jointly controlled entity, whose financial statements reflect total assets (net) of ₹ 6,744.22 crores as at 31 March 2013, total revenues of ₹ 2,531.36 crores and net cash flows amounting to ₹ (5.54) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of ₹ 240.60 crores for the year ended 31 March 2013, as considered in the consolidated financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

ii. The consolidated financial statements include the unaudited financial statements of one subsidiary and three jointly controlled entities (Previous year ended 31 March 2012 one subsidiary and four jointly controlled entities), whose financial statements reflect total assets (net) of ₹ 252.42 crores as at 31 March 2013 (As at 31 March 2012: ₹ 349.85 crores), total revenue of ₹ 199.19 crores (Previous year ended 31 March 2012: ₹ 259.31 crores) and net cash flows amounting to ₹ 14.58 crores (Previous year ended 31 March 2012: ₹ 14.95 crores) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 15.28 crores for the year ended 31 March 2013, as considered in the consolidated financial statements, in respect of an associate (Previous year ended 31 March 2012: ₹ 13.42 crores of an associate), based on their unaudited financial statements. Our opinion, in so far as it relates to the amounts included in respect of this subsidiary, jointly controlled entities and an associate, is based solely on such unaudited financial statements.

Our opinion is not qualified in respect of these matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 117366W)

P.B. Pardiwalla
Partner
(Membership No. 40005)

MUMBAI,
23 May 2013

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2013

(₹ in crores)

	Notes	As at 31 March 2013	As at 31 March 2012
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
Share capital	2	563.18	563.18
Reserves and surplus	3	16,780.55	16,186.39
		17,343.73	**16,749.57**
Minority Interest		**197.16**	**217.67**
(2) Non-current liabilities			
Long-term borrowings	4	17,393.16	12,889.12
Deferred tax Liabilities (Net)	5	3,487.20	3,041.19
Other Long term liabilities	6	600.42	472.21
Long-term provisions	7	41.19	35.03
		21,521.97	**16,437.55**
(3) Current liabilities			
Short-term borrowings	8	1,652.99	1,375.75
Trade payables	9	10,251.31	9,714.10
Other current liabilities	10	6,453.31	9,512.94
Short-term provisions	11	307.51	230.84
		18,665.12	**20,833.63**
TOTAL		**57,727.98**	**54,238.42**
II ASSETS			
(1) Non-current assets			
Fixed assets	12		
Tangible assets		33,347.78	32,529.26
Intangible assets		54.70	38.82
Capital work-in-progress		5,854.43	2,801.83
Intangible assets under development		43.44	29.88
		39,300.35	**35,399.79**
Goodwill on Consolidation		1,314.32	1,243.98
Non-current investments	13	1,606.44	1,885.60
Deferred tax assets (net)	5	215.20	316.21
Long-term loans and advances	14	3,342.00	2,817.98
Other non-current assets	15	16.03	14.36
		45,794.34	**41,677.92**
(2) Current assets			
Current investments	16	143.51	204.00
Inventories	17	5,495.23	5,789.26
Trade receivables	18	2,106.29	1,461.95
Cash and Cash Equivalents	19	1,653.37	3,046.97
Short-term loans and advances	14	2,535.24	2,058.32
		11,933.64	**12,560.50**
TOTAL		**57,727.98**	**54,238.42**
Significant Accounting Policies	1 (B)		

The accompanying Notes 1 to 26 are an integral part of the consolidated financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

For and on behalf of the Board of Directors

SAJJAN JINDAL

Chairman and Managing Director

P. B. PARDIWALLA

Partner

LANCY VARGHESE

Company Secretary

RAJEEV PAI

Chief Financial Officer

SESHAGIRI RAO M.V.S.

Jt. Managing Director & Group CFO

Place : Mumbai,

Date : 23 May 2013

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

		Note	For the year ended 31st March, 2013	For the year ended 31st March, 2012
I	**Revenue from operations**	20	**41,577.84**	**36,964.23**
	Less: Excise duty		3,368.19	2,596.18
			38,209.65	**34,368.05**
II	**Other income**	21	**69.73**	**76.85**
III	**Total Revenue (I + II)**		**38,279.38**	**34,444.90**
IV	**Expenses:**			
	Cost of materials consumed		24,298.28	22,245.23
	Purchases of traded goods		11.77	77.50
	Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade	22	(152.44)	(443.65)
	Cost of Construction		10.86	48.94
	Employee benefits expense	23	980.25	846.39
	Finance costs	24	1,967.46	1,427.30
	Depreciation and amortization	12	2,237.48	1,933.15
	Other expenses	25	6,557.01	5,491.75
	Total expenses		**35,910.67**	**31,626.61**
V	**Profit before Exceptional Items and Tax**		**2,368.71**	**2,818.29**
VI	**Exceptional Items**			
	Exchange Loss (net)	26(5-a)	(369.37)	(824.94)
VII	**Profit before Tax (V-VI)**		**1,999.34**	**1,993.35**
VIII	**Tax expense:**			
	Current tax	5(a)	515.09	411.27
	Deferred tax		624.26	773.23
	Less: MAT Credit Entitlement	5(b)	(294.10)	(684.35)
			845.25	**500.15**
IX	**Profit after Taxation but before minority interests and share of profits/ loss of Associates (VII-VIII)**		**1,154.09**	**1,493.20**
X	**Share of (Losses) / Profit of Minority**		**(34.34)**	**18.92**
XI	**Share of (Losses) / Profit from Associates (Net)**			
	Before exceptional items		(164.52)	(226.21)
	Exceptional items	26(5-b)	(60.80)	(710.39)
XII	**Profit for the year (IX-X+XI)**		**963.11**	**537.68**
X	**Earnings per equity share:**	26(13)		
	Basic		41.71	22.65
	Diluted (see note)		41.71	22.65
	Significant Accounting Policies	1 (B)		

The accompanying Notes 1 to 26 are an integral part of the consolidated financial statements

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

For and on behalf of the Board of Directors

SAJJAN JINDAL

Chairman and Managing Director

P. B. PARDIWALLA

Partner

LANCY VARGHESE

Company Secretary

RAJEEV PAI

Chief Financial Officer

SESHAGIRI RAO M.V.S.

Jt. Managing Director & Group CFO

Place : Mumbai,

Date : 23 May 2013

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

	For the year ended 31 March 2013		For the year ended 31 March 2012	
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		**1,999.34**		**1,993.35**
Adjustments for :				
Depreciation and amortisation	2,237.48		1,933.15	
Loss /(Profit)on sale of Fixed Assets	7.59		(0.08)	
Income from Current Investments	(16.89)		(15.00)	
Interest Income	(45.52)		(32.58)	
Dividend Income	(3.96)		(7.85)	
Interest Expenses	1,459.77		975.35	
Unrealised exchange loss (net)	122.44		125.00	
Amortisation of Employees Share Payments	5.74		10.35	
		3,766.65		**2,988.34**
Operating profit before working capital changes		**5,765.99**		**4,981.69**
Adjustments for :				
Decrease/ (Increase) in Inventories	294.03		(1,379.56)	
Increase in Trade Receivables and Loans and Advances*	(366.59)		(2,728.63)	
Increase in Liabilities and Provisions*	661.32		3,046.02	
		588.76		**(1,062.17)**
Cash flow before taxation		**6,354.75**		**3,919.52**
Direct Taxes Paid		(510.54)		(407.12)
NET CASH GENERATED FROM OPERATING ACTIVITIES		**5,844.21**		**3,512.40**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets and capital advances		(5,630.05)		(4,079.46)
Investment in associates and Joint Ventures		53.86		(178.21)
Purchase of Other Long Term Investments (Net)		(0.02)		(0.30)
Purchase/Sale of Current Investments (Net)		77.38		81.14
Acquisition of Subsidiaries		0.04		(0.75)
Proceeds from sale of Fixed Assets		12.01		13.45
Interest received		49.38		55.72
Dividend received		3.96		7.85
NET CASH USED IN INVESTING ACTIVITIES		**(5,433.44)**		**(4,100.56)**
C CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Long Term Borrowings		6,701.92		6,024.44
Repayment of Long Term Borrowings		(6,025.83)		(2,707.28)
Short term borrowings (net)		278.55		(1,126.27)
Interest Paid		(1,518.61)		(1,143.03)
Dividend Paid (including Corporate Dividend Tax)		(226.92)		(350.09)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES		**(790.89)**		**697.77**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS(A+B+C)		**(380.12)**		**109.61**
CASH AND CASH EQUIVALENTS - OPENING BALANCE		**682.50**		**572.89**
CASH AND CASH EQUIVALENTS - CLOSING BALANCE#		**302.38**		**682.50**
Add: Margin Money / Fixed Deposit Balance (In Lien)		1,281.47		2,329.52
Add: Balance in debenture interest/ installments/dividend payment accounts		65.88		20.84
Add: Translation Adjustment in Cash and Cash Equivalents		3.64		14.11
CASH AND CASH EQUIVALENTS (As per Note 19)		**1,653.37**		**3,046.97**
*** Includes current and non current**				
# Cash and Cash Equivalents (refer note 19)		809.37		1,324.68
Less : Earmarked balances included above		506.99		642.18
Cash and Cash Equivalents considered for Cash Flow		**302.38**		**682.50**

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

P. B. PARDIWALLA

Partner

Place : Mumbai,

Date : 23 May 2013

For and on behalf of the Board of Directors

SAJJAN JINDAL

Chairman and Managing Director

LANCY VARGHESE

Company Secretary

RAJEEV PAI

Chief Financial Officer

SESHAGIRI RAO M.V.S.

Jt. Managing Director & Group CFO

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

Note 1 SIGNIFICANT ACCOUNTING POLICIES:

A. GENERAL INFORMATION

JSW Steel Limited, the Company was incorporated on 15 March 1994. The Company is predominantly engaged in the business of production and distribution of iron and steel products.

The Consolidated Financial Statements of the Group – (the parent Company and all its subsidiaries) include financial information of other components, namely, joint ventures and associate companies

The following components are included in the consolidation:

Subsidiary Companies:

Name of the Company	Country of incorporation	Share holding at year end either directly or through subsidiaries	Nature of operations (commenced/plan ned)
JSW Steel (Netherlands) B.V.	Netherlands	100% (100%)	Acquisition and investment in steel related and steel allied businesses and trading in steel products
JSW Steel (UK) Limited	United Kingdom	100% (100%)	Investment in steel related and steel allied businesses
Argent Independent Steel (Holdings) Limited	United Kingdom	100% (100%)	Holding company of JSW Steel Service Centre (UK) Limited
JSW Steel Service Centre (UK) Limited	United Kingdom	100% (100%)	Steel service centre
JSW Steel Holding (USA) Inc.	United States of America	100% (100%)	Holding Company of JSW Steel (USA) Inc. and Periama Holdings, LLC
JSW Steel (USA) Inc.	United States of America	90% (90%)	Manufacturing plates, pipes and double jointing.
Periama Holdings, LLC	United States of America	100% (100%)	Holding company
Purest Energy, LLC	United States of America	100% (100%)	Holding company
Meadow Creek Minerals, LLC	United States of America	100% (100%)	Mining company
Hutchinson Minerals, LLC	United States of America	100% (100%)	Mining company
R.C. Minerals, LLC	United States of America	100% (100%)	Mining company
Keenan Minerals, LLC	United States of America	100% (100%)	Mining company
Peace Leasing, LLC	United States of America	100% (100%)	Mining company
Prime Coal, LLC	United States of America	100% (100%)	Management company
Planck Holdings, LLC	United States of America	100% (100%)	Holding company
Rolling S Augering, LLC	United States of America	100% (100%)	Mining company
Periama Handling, LLC	United States of America	100% (100%)	Coal loading company
Lower Hutchinson Minerals, LLC	United States of America	100% (100%)	Mining company
Caretta Minerals, LLC	United States of America	100% (100%)	Mining company
JSW Panama Holdings Corporation	Republic of Panama	100% (100%)	Holding company for Chile based companies and trading in iron ore
Inversiones Eroush Limitada	Chile	100% (100%)	Holding Company (LLP) of Santa Fe Mining
Santa Fe Mining	Chile	70% (70%)	Mining company
Santa Fe Puerto S.A.	Chile	70% (70%)	Port company

Name of the Company	Country of incorporation	Share holding at year end either directly or through subsidiaries	Nature of operations (commenced/plan ned)
JSW Natural Resources Limited	Republic of Mauritius	100% (100%)	Holding company of JSW Natural Resources Mozambique Lda
JSW Natural Resources Mozambique Limitada	Mozambique	100% (100%)	Mining Company
JSW Mali Resources SA (w.e.f 18 February 2013)	Mali	100% (100%)	Mining Company
JSW ADMS Carvo Lda	Mozambique	85 % (85%)	Mining Company
JSW Steel East Africa Limited	Kenya	100% (100%)	Mining Company
JSW Steel Processing Centres Limited	India	100% (100%)	Steel service center
JSW Bengal Steel Limited	India	98.07% (96.74%)	Steel plant
JSW Natural Resources India Limited	India	98.07% (96.74%)	Mining Company
JSW Energy (Bengal) Limited	India	98.07% (96.74%)	Power plant
JSW Natural Resource Bengal Ltd (w.e.f 3 April 2012)	India	98.07% (-)	Mining Company
Barbil Beneficiation Company Limited	India	98.07% (96.74%)	Beneficiation plant
JSW Jharkhand Steel Limited	India	100% (100%)	Steel plant and mining
JSW Building Systems Limited	India	100% (100%)	Pre-fabricated building systems and technologies
JSW Steel Coated Products Limited (formerly Maharashtra Sponge Iron Limited) (w.e.f 31 August 2012)*	India	100% (-)	Steel Plant
Amba River Coke Limited	India	100% (100%)	Coke oven plant

Joint Venture Companies:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest at year end	Nature of operations (commenced/planned)
Vijayanagar Minerals Private Limited*	India	40% (40%)	Supply of iron ore.
Rohne Coal Company Private Limited	India	49% (49%)	Coal mining company
Geo Steel LLC *	Georgia	49% (49%)	Manufacturing of TMT Rebar
JSW Severfield Structures Limited (JSSL)	India	50% (50%)	Designing, fabricating and erecting structural steel works
JSW Structural Metal Decking Limited	India	33.33% (33.33%)	Metal deckings
Gourangdih Coal Limited *	India	50% (50%)	Coal mining company
JSW MI Steel Service Center Private Limited	India	50% (50%)	Steel service centre

Associate Companies:

Name of the Company	Country of Incorporation	Proportion of Ownership Interest at year end	Nature of operations (commenced/ planned)
Jindal Praxair Oxygen Company Private Limited*	India	26% (26%)	Production of gaseous and liquid form of oxygen, nitrogen, argon and other products recoverable from separation of air.
JSW Ispat Steel Limited	India	46.75% (49.30%)	Production and distribution of iron and steel products

*Consolidated based on unaudited financial information/estimates as certified by management

The Company has a 26% stake in Jindal Praxair Oxygen Company Private Limited (JPOCL). Though the Company is entitled to exercise joint control in respect of certain operating and financial matters in terms of the shareholders' agreement, on account of certain constraints, it is unable to exercise such joint control. The Company has representation on JPOCL's Board. JPOCL has therefore been accounted for as an associate in Consolidated Financial Statements using the equity method as per Accounting Standard (AS) - 23 "Accounting for Investments in Associates in Consolidated Financial Statements".

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

B. SIGNIFICANT ACCOUNTING POLICIES

1. Principles of consolidation

The subsidiaries are consolidated on a line-by-line basis in accordance with Accounting Standard 21 "Consolidated Financial Statements". Interest of the minority shareholders in the subsidiaries' profits or losses and net worth is displayed separately in the consolidated financial statements. Inter-company transactions and balances are eliminated on consolidation.

Investments in joint ventures are accounted for using the proportionate consolidation method in accordance with Accounting Standard 27 "Financial Reporting of Interests in Joint Ventures". Unrealized profits and losses resulting from transactions between the Company and the joint venture companies are eliminated to the extent of the company's share in the joint ventures.

Investments in associates are accounted for using the equity method in accordance with Accounting Standard 23 "Accounting for Investments in Associates in Consolidated Financial Statements". Unrealized profits and losses resulting from transactions between the Company and the associates are eliminated to the extent of the company's interest in the associate.

For the purpose of consolidation, the financial statements of the subsidiaries, joint venture companies and associates are drawn up to 31st March, 2013 which is the reporting period of the Company.

The excess of the cost of investment in subsidiary companies, joint venture and associate companies over the parent's share of equity is recognized in the financial statements as goodwill. When the cost to the parent of its investment in subsidiary companies, joint venture and associate companies is less than the parents' share of equity, the difference is recognized in the financial statements as capital reserve.

2. Uniform accounting policies

The consolidated financial statements of JSW and its subsidiary, joint venture and associate companies have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

3. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles require estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

4. Fixed assets and depreciation

Fixed Assets are stated at their cost of acquisition or construction less accumulated depreciation and impairment losses.

Costs of acquisition comprise all costs incurred to bring the assets to their location and working condition up to the date the assets are put to use. Costs of construction are composed of those costs that relate directly to specific assets and those that are attributable to the construction activity in general and can be allocated to specific assets up to the date the asset are put to use.

Depreciation on assets is provided, pro-rata for the period of use, using the Straight Line Method (SLM).

Leasehold land is amortized over the period of the lease, except where the lease is convertible to freehold land under lease agreements at future dates at no additional cost.

The company capitalizes software where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over an estimated useful life of 3 to 5 years.

In respect of mining projects, the Company capitalizes cost of acquisition of mining concessions and all costs incurred till mining reserves are proved, such as license fees, direct exploration costs and indirect incidental costs. Once the determination of mining reserves is made, the following conditions must be met in order for these costs to remain capitalized:

i. The economic and operating viability of the project is assessed determining whether sufficient reserves exist to justify further capitalized expenditure for commercial exploration of the reserves, and

ii. Further exploration and development activity is under way or firmly planned for the near future.

These are amortized by the unit of production method once the mine commences commercial production. All expenditure related to unsuccessful efforts are charged to the statement of profit and loss when so established. Goodwill arising on consolidation to the extent attributable to mining concessions is also amortized on the basis described above.

The carrying values of assets /cash generating units at each balance sheet date are reviewed for impairment in accordance with Accounting Standard

28 "Impairment of Assets". If any indication of impairment exist, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount (i.e. the higher of the asset's net selling price and value in use).

In respect of mining projects which are at different stages of prospecting and exploration, ranging from precursor activities to establishment of mining reserves, and where mining proper and other related activities to develop the property after assessment of economic and technical viability of the project have not yet commenced, related assets are carried at their original value, since impairment if any cannot be ascertained at this stage.

5. Investments

Investments are classified as current or long-term in accordance with Accounting Standard 13 "Accounting for Investments".

Current investments are stated at lower of cost and fair value. Any reduction in the carrying amount and any reversals of such reductions are charged or credited in the statement of profit and loss.

Long term investments are stated at cost. Provision for diminution is made to recognize a decline, other than temporary, in the value of such investments.

6. Revenue recognition

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.

Revenue from sale of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of sales tax/value added tax. Export turnover includes related export benefits. Excise duty recovered is presented as a reduction from gross turnover.

Revenue in respect of construction contracts is calculated as that proportion of the total contract value which costs incurred bear to the total expected costs for that contract, as estimated by management. Variations in contract work, claims and incentive payments are included in revenue to the extent that it is probable that they will result in revenue and can be measured reliably. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized to the extent of contract costs incurred of which recovery is probable. Where the outcome of a construction contract can be estimated reliably, profit is recognized on contracts by including in the income statement revenue and related cost as contract activity progresses. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately.

7. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by the weighted average cost method.

Excise duty related to finished goods stock is included under changes in inventories of finished goods, work-in-progress and stock-in-trade (Refer note 22).

8. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets, as defined in Accounting Standard 16 "Borrowing Costs" are capitalized as part of the cost of such asset up to the date when the asset is ready for its intended use. Other borrowing costs are expensed as incurred.

9. Employee benefits

Employee benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense in the statement of profit and loss in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment, are measured by the projected unit credit method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The company's obligations recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

10. Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

i. Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.

ii. In other cases such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized in the statement of profit and loss over the balance life of the long-term monetary item, however that the period of amortization does not extend beyond 31 March 2020.

All other exchange differences are dealt with in the statement of profit and loss.

Non-monetary items such as investments are carried at historical cost using the exchange rates on the date of the transaction. Also refer note 1-5

In translating the financial statements of subsidiary companies' non-integral foreign operations, for incorporation in the consolidated financial statements the assets and liabilities, both monetary and non-monetary, are translated at the closing rate, the income and expense items of the subsidiary company are translated at the average rate and all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.

11. Derivative instruments and hedge accounting

The Company enters into derivative financial instruments such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks.

Derivatives are initially recognized at fair value at the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance sheet date.

The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities (fair value hedges) or hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges). The Company does not enter into derivative contracts for trading or speculative purposes.

A derivative is presented under "Short term loans and advances" (Refer note 14) or "Other Current Liabilities" (Refer note 10).

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss immediately, together with any changes in the fair value of the hedged item that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognized in the same line of the profit and loss account relating to the hedged item.

Changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in a "Hedging Reserve Account". The gain or loss relating to the ineffective portion is recognised immediately in profit and loss account. Amounts deferred in the Hedging Reserve Account are recycled in the statement of profit and loss in the periods when the hedged item is recognized in the statement of profit and loss, in the same line as the hedged item.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In case of fair value hedges the adjustment to the carrying amount of the hedged item arising from the hedged risk is amortized to the statement of profit and loss from that date. In case of cash flow hedges any cumulative gain or loss deferred in the Hedging Reserve Account at that time is retained and is recognized when the forecast transaction is ultimately recognized in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred is recognized immediately in the statement of profit and loss.

12. Income taxes

Income taxes are accounted for in accordance with Accounting Standard 22 "Accounting for Taxes on Income". Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid / recovered from the revenue authorities, using the applicable tax rates and tax laws. Minimum Alternate Tax (MAT) credit entitlement available under the provisions of Section 115 JAA of the Income Tax Act, 1961 is recognised to the extent that the credit will be available for discharge of future normal tax liability.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax laws.

The carrying amount of MAT credit and deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the assets can be realized.

Where certain expenses or credits which are otherwise required to be charged to the statement of profit and loss are adjusted directly to reserves in accordance with a court order or as permitted by Law/accounting standards, the tax benefits or charge, arising from the admissibility or taxability of such expenses or income for tax purpose is also recognised in the reserves.

Tax on distributed profits payable in accordance with the provisions of section 115O of the Income Tax Act, 1961 which is accounted for in accordance with the Guidance Note on Accounting for Corporate Dividend Tax is regarded as a tax on distribution of profits and is not considered in determination of profits for the year.

13. Earnings per share

The Company reports basic and diluted Earnings per share (EPS) in accordance with Accounting Standard 20 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

14. Leases

(i) Operating lease

Operating lease receipts and payments are recognized as income or expense in the statement of profit and loss on a straight-line basis over the lease term.

(ii) Finance leases

Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

15. Cash flow statement

The cash flow statement is prepared by the "indirect method" set out in Accounting Standard 3 "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and cash equivalents presented in the cash flow statement consist of cash on hand and unencumbered, highly liquid bank balances.

16. Securities' expenses

Premium payable on redemption of bonds is provided for over the life of the bonds. The Securities Premium Account is applied in providing for premium on redemption in accordance with Section 78 of the Act. On conversion of the bonds to equity the provision for the redemption premium is reversed.

Expenses on issue of securities are adjusted against the Securities Premium Account in accordance with Section 78 of the Act.

17. Stock based compensation

The compensation cost of stock options granted to employees is calculated using the intrinsic value of the stock options. The compensation expense is amortized uniformly over the vesting period of the option.

18. Contingent liabilities

Contingent liabilities as defined in Accounting Standard 29 "Provisions, Contingent Liabilities and Contingent Assets" are disclosed by way of notes to the accounts. Disclosure is not made if the possibility of an outflow of future economic benefits is remote. Provision is made if it is probable that an outflow of future economic benefits will be required to settle the obligation.

(₹ in crores)

	Particulars	As at 31 March 2013	As at 31 March 2012
Note 2	SHARE CAPITAL		
a	**Authorised :**		
	2,00,00,00,000 Equity Shares of the par value of ₹ 10 each	2,000.00	2,000.00
	1,00,00,00,000 Preference Shares of the par value of ₹ 10 each	1,000.00	1,000.00
		3,000.00	**3,000.00**
b	**Issued and Subscribed:**		
	22,31,17,200 Equity Shares fully paid up	223.12	223.12
	Equity Shares Forfeited (Amount originally paid-up)	61.03	61.03
	27,90,34,907 10% Cumulative Redeemable Preference Shares fully paid up	279.03	279.03
		563.18	**563.18**
c	**Reconciliation of number of shares outstanding at the beginning and end of the year :**		
	Equity (including shares represented by underlying GDRs):		
	Outstanding at the beginning and at the end of the year	223,117,200	223,117,200
	Preference :		
	Outstanding at the beginning and at the end of the year	**279,034,907**	**279,034,907**

d Rights, preferences and restrictions attached to Equity shares

The company has a single class of equity shares. Each shareholder is eligible for one vote per share held (other than the shares that were represented by underlying GDR's which did not carry a voting right) . The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

Nil (previous year 26,00,938) equity shares represent the shares underlying outstanding Global Depository Receipts (GDRs). Each GDR represents 1 underlying equity share. The GDRs have been converted to equity shares during the year.

e Rights, preferences and restrictions attached to Preference shares

The company has a single class of preference shares. They are redeemable at par in four equal 'quarterly installments commencing from 15 December 2017. The shares carry a right to receive 10% dividend every year till redemption. In the event of liquidation, the preference shareholders are eligible to receive the outstanding amount after distribution of all other preferential amounts, in proportion to their shareholding.

f Shareholders holding more than 5% shares in the company is set out below:

Equity (excluding shares represented by underlying GDRs)

JFE Steel International Europe B.V	No of Shares	36,068,518	-
	%	16.17%	-
JFE Steel Corporation	No of Shares	-	33,467,580
	%	-	15.00%
Jindal South West Holdings Limited	No of Shares	17,284,923	17,284,923
	%	7.75%	7.75%
JSW Energy Investments Private Limited	No of Shares	13,764,364	13,764,364
	%	6.17%	6.17%
Preference			
ICICI Bank Limited	No of Shares	125,707,730	125,707,730
	%	45.05%	45.05%
IDBI Bank Limited	No of Shares	69,734,847	69,734,847
	%	24.99%	24.99%
Life Insurance Corporation of India	No of Shares	36,348,783	36,348,783
	%	13.03%	13.03%
IFCI Limited	No of Shares	21,262,362	21,262,362
	%	7.62%	7.62%

(₹ in crores)

	Particulars	As at 31 March 2013	As at 31 March 2012
Note 3	**RESERVES AND SURPLUS**		
a	**Capital Reserve**		
	As per last Balance Sheet	529.38	-
	Money received against equity share warrants forfeited, option not exercised by warrant holders	-	529.38
		529.38	**529.38**
b	**Capital Redemption Reserve**		
	As per last Balance Sheet	9.90	9.90
		9.90	**9.90**
c	**Securities Premium Reserve :**		
	As per last Balance Sheet	5,536.25	5,667.53
	Less : Provision for premium on redemption of FCCBs	(119.62)	(131.28)
		5,416.63	**5,536.25**
d	**Debenture Redemption Reserve:**		
	As per last Balance Sheet	4.04	129.04
	Add/(Less) : Transfer from/(to) Surplus in Statement of Profit and Loss	7.82	(125.00)
		11.86	**4.04**
e	**Share Options Outstanding**		
	Share Options Outstanding	24.40	24.57
	Less: Deferred Compensation	-	(6.15)
		24.40	**18.42**
	Less : Transfer to General Reserve:	(24.40)	-
		-	**18.42**
f	**Hedging Reserve Account**		
	As per last Balance Sheet	(14.46)	(8.34)
	Movement during the year	46.17	(6.12)
		31.71	**(14.46)**
g	**General Reserve:**		
	As per last Balance Sheet	9,864.79	7,539.02
	Add : Transfer from Surplus in Statement of Profit and Loss	181.00	2,325.77
	Transfer from Share Options Outstanding	24.40	-
		10,070.19	**9,864.79**
h	**Foreign Currency Translation Reserve Account:**		
	As per last Balance Sheet	(51.04)	(51.47)
	Movement during the year	(24.22)	0.43
		(75.26)	**(51.04)**
i	**Capital Reserve on Consolidation**	**296.19**	**279.77**
j	**Surplus in Statement of Profit and Loss**		
	As per last Balance Sheet	9.34	1,899.35
	Add : Profit for the year	963.11	537.68
	Transfer from Debenture Redemption Reserve	-	125.00
	Less: Appropriations :		
	Transfer to Debenture Redemption Reserve	7.82	-
	Dividend on Preference Shares	27.90	27.90
	Proposed Final Dividend on Equity Shares	223.12	167.34
	Corporate Dividend Tax	42.66	31.68
	Transfer to General Reserve	181.00	2,325.77
		489.95	**9.34**
	Total	**16,780.55**	**16,186.39**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non Current		Current (Refer note 10)	
Note 4 LONG TERM BORROWINGS				
Bonds / Debentures				
Bonds (Unsecured)				
2,744 Zero Coupon Foreign Currency Convertible Bonds (FCCB) of USD 1,00,000 each	-	-	-	1,403.73
Debentures (Secured)				
10.34 % Non Convertible Debentures of ₹ 10 lacs each	1,000.00	-	-	-
11 % Non Convertible Debentures of ₹ 10 lacs each	1,000.00	1,000.00	-	-
10.25 % Non Convertible Debentures of ₹ 10 lacs each	500.00	500.00	-	-
10.60 % Non Convertible Debentures of ₹ 10 lacs each	350.00	350.00	-	-
10.10 % Non Convertible Debentures of ₹ 10 lacs each	968.75	1,000.00	31.25	-
11.82 % Non Convertible Debentures of ₹ 10 lacs each	6.28	14.66	8.38	8.38
11.82 % Non Convertible Debentures of ₹ 10 lacs each	17.55	25.35	7.80	7.80
	3,842.58	**2,890.01**	**47.43**	**16.18**
Term Loans				
(Secured)				
Rupee Term Loans from Banks	6,344.06	5,178.67	663.35	414.76
Foreign Currency Term Loans from Banks	1,616.14	2,251.08	1,115.97	2,003.62
Rupee Term Loans from Financial Institutions	14.23	25.45	11.22	12.16
(Unsecured)				
Rupee Term Loans from Banks	-	-	-	900.00
Foreign Currency Term Loans from Banks	5,414.39	2,237.33	312.89	647.81
	13,388.82	**9,692.53**	**2,103.43**	**3,978.35**
Long Term Advance from a Customer	-	128.48	128.49	227.91
Foreign Currency Loans from Others	9.68	9.16	-	-
Deferred Payment Liabilities				
Deferred Sales Tax Loan (Unsecured)	110.77	111.65	0.88	-
Finance Lease Obligation	41.31	57.29	19.60	18.07
Total	**17,393.16**	**12,889.12**	**2,299.83**	**5,644.24**

(₹ in crores)

	Particulars	As at 31 March 2013	As at 31 March 2012
Note 5	**TAXATION**		
a	Current Tax comprises of		
	Current Tax for the year	515.09	451.63
	Excess provision of tax relating to earlier years	-	(40.36)
		515.09	**411.27**
b	MAT Credit Entitlement includes amount in relation to earlier years	-	244.74
c	Deferred Tax Liability comprises of timing differences on account of		
	Depreciation	3,572.80	3,110.18
	Expenses allowable on payment basis	(59.41)	(74.63)
	Provision for doubtful debts/advances	(38.75)	(39.49)
	Others	(202.64)	(271.08)
		3,272.00	**2,724.98**

(₹ in crores)

	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non Current		Current (Refer note 10)	
Note 6 OTHER LONG TERM LIABILITIES				
Rent and other Deposits	42.02	36.04	2.29	2.29
Retention Money for Capital Projects	167.21	38.89	244.93	173.94
Other Payables	391.19	397.28	52.89	31.92
Premium payable on redemption of FCCBs	-	-	-	565.36
Total	**600.42**	**472.21**	**300.11**	**773.51**

(₹ in crores)

	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non Current		Current (Refer note 10)	
Note 7 LONG TERM PROVISIONS				
Employee Benefits	41.19	35.03	44.47	30.47
Total	**41.19**	**35.03**	**44.47**	**30.47**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 8 SHORT TERM BORROWINGS		
Working Capital Loans from Banks (Secured)	783.37	749.42
Foreign Currency Loan from Bank		
Secured	-	153.46
Unsecured	853.58	457.78
Foreign Currency Loan from Others (Unsecured)	16.04	15.09
Total	**1,652.99**	**1,375.75**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 9 TRADE PAYABLES		
Acceptances	7,765.89	7,520.96
Other than Acceptances	2,485.42	2,193.14
Total	**10,251.31**	**9,714.10**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 10 OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (Refer Note 4)	2,299.83	5,644.24
Current dues of Other Long Term Liabilities (Refer Note 6)	300.11	773.51
Current dues of Long term Employee Benefits (Refer Note 7)	44.47	30.47
Payables for Capital Projects	2,981.16	2,421.23
Advances from Customers	199.77	195.56
Interest Accrued but not due on borrowings	216.89	132.01
Other Statutory Liabilities	291.30	206.56
Other Payables	100.45	88.50
Investor Education and Protection Fund shall be credited by :		
Unclaimed Debenture Redemption Installments	1.28	1.61
Unclaimed Debenture Interest	0.77	1.43
Unclaimed Dividend	13.58	14.11
Unclaimed amount of sale proceeds of fractional shares	3.70	3.71
Total	**6,453.31**	**9,512.94**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 11 SHORT TERM PROVISIONS		
Proposed Dividend on Preference Shares	27.90	27.90
Proposed Dividend on Equity Shares	223.12	167.34
Corporate Dividend Tax	42.66	31.68
Provision for Tax	13.83	3.92
Total	**307.51**	**230.84**

(₹ in crores)

Particulars	Gross Block (at cost)							Depreciation					Net Block	
	As at 01.04.2012	Additions consequent to acquisition of subsidiaries	Additions	Deductions	Other Adjustments	Translation Reserve	As at 31.03.2013	As at 01.04.2012	Additions consequent to acquisition of subsidiaries	For the year	Deductions	Translation Reserve	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
Note 12 FIXED ASSETS														
Tangibles														
Freehold Land	252.24	-	47.57	-	-	1.51	301.32	18.48	-	-	-	-	18.48	282.84	233.76
Leasehold Land	219.13	-	0.69	-	-	-	219.82	3.60	-	0.99	-	-	4.59	215.23	215.53
Buildings	5,606.04	-	200.74	5.76	1.44	57.42	5,859.88	843.71	-	174.82	2.30	8.28	1,024.51	4,835.37	4,762.33
Plant & Machinery@	34,351.37	0.31	2,051.97	16.14	376.54	272.47	37,036.52	7,867.41	0.07	2,008.54	4.57	41.82	9,913.27	27,123.25	26,483.96
Furniture & Fixtures	100.66	0.12	6.10	0.64	-	0.17	106.41	46.51	0.04	6.84	0.27	0.14	53.26	53.15	54.15
Vehicles & Aircrafts	174.27	-	9.95	5.76	-	0.37	178.83	49.20	-	12.81	1.68	0.24	60.57	118.26	125.07
Office Equipments	20.85	0.10	2.85	0.16	-	0.11	23.75	5.08	0.01	1.26	0.05	0.07	6.37	17.38	15.77
Mining Development and Projects	649.59	-	31.35	0.02	-	41.09	722.01	10.90	-	8.15	0.01	0.67	19.71	702.30	638.69
Tangibles Total (A)	**41,374.15**	**0.53**	**2,351.22**	**28.48**	**377.98**	**373.14**	**44,448.54**	**8,844.89**	**0.12**	**2,213.41**	**8.88**	**51.22**	**11,100.76**	**33,347.78**	**32,529.26**
Intangibles														
Software	48.37	0.09	23.70	-	-	0.05	72.21	29.90	0.03	14.12	-	-	44.05	28.16	18.47
Licence Fees	16.53	-	8.57	-	-	0.19	25.29	2.66	-	3.37	-	(0.02)	6.01	19.28	13.87
Mining Concession	3.79	-	-	-	-	0.24	4.03	-	-	-	-	-	-	4.03	3.79
Port Concession	2.69	-	0.37	-	-	0.17	3.23	-	-	-	-	-	-	3.23	2.69
Intangibles Total (B)	**71.38**	**0.09**	**32.64**	**-**	**-**	**0.65**	**104.76**	**32.56**	**0.03**	**17.49**	**-**	**(0.02)**	**50.06**	**54.70**	**38.82**
TOTAL (A+B)	**41,445.53**	**0.62**	**2,383.86**	**28.48**	**377.98**	**373.79**	**44,553.30**	**8,877.45**	**0.15**	**2,230.90**	**8.88**	**51.20**	**11,150.82**	**33,402.48**	**32,568.08**
Previous Year	32,683.89	0.04	7,219.98	26.29	819.54	748.37	41,445.53	6,873.23	0.01	1,925.32	12.92	91.81	8,877.45	32,568.08	
@ Includes proportionate share of assets jointly owned															
Plant & Machinery	32.71	-	-	-	-	-	32.71	20.85	-	1.73	-	-	22.58	10.13	11.86

(a) 'Buildings' include:
- (a) Roads not owned by the Company amortised over a period of five years. Gross Block ₹ 3.13 crores (previous year ₹ 3.13 crores) Net block nil (previous year nil)
- (b) Assets given on operating lease for which documents are yet to be executed pending approvals from Lenders and KSIIDC. Gross Block ₹ 3.08 crores (previous year ₹ 3.08 crores); net block ₹ 2.42 crores (previous year ₹ 2.47 crores)
- (c) Execution of Conveyence deed in favour of the Company is pending in respect of a Building acquired in an earlier year, Gross block ₹ 24.07 crores, Net block ₹ 20.69 crores (previous year Gross block ₹ 24.07 crores, Net block ₹ 21.22 crores) (subsequently executed).

(b) Other adjustments comprise the following costs capitalised during the year:
- (i) Borrowing costs of ₹ 38.15 crores (previous year 334.64 crores)
- (ii) Foreign Exchange Loss of ₹ 339.83 crores (previous year ₹ 484.90 crores)

(c) Freehold Land and Buildings of ₹ 158.31 crores (previous year 158.31 crores) has been/agreed to be hypothecated/mortgaged to lenders of group companies.

(d) For details of assets given on operating lease, refer note 26 (11)

(e) For details of assets taken on finance lease, refer note 26 (10)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	As at 31.03.2013		As at 31.03.2012	
Note 13 NON CURRENT INVESTMENTS				
LONG TERM				
a) In Associates				
Equity Shares (at cost) (refer note b)	2,384.39		2,386.77	
Add: Share of (Loss) /Profit (net)	(1,061.45)		(818.41)	
Preference Shares	-	1,322.94	36.51	1,604.87
b) In Joint Ventures				
Equity Shares	21.46		18.71	
Preference Shares	5.74	27.20	5.74	24.45
c) Others				
Equity Shares	126.29		126.27	
Preference Shares	130.00		130.00	
Government Securities	0.01	256.30	0.01	256.28
Total		**1,606.44**		**1,885.60**

Note:

a) Mode of Valuation - Refer Note 1(B-5)

b) Goodwill arising at acquisition ₹ 2,358.73 crores (Previous year ₹ 2,502.99 crores)

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current		Current	
Note 14 LOANS AND ADVANCES (UNSECURED)				
Capital Advances	788.68	825.36	-	-
Less : Provision for doubtful advances	(89.40)	(86.75)	-	-
	699.28	**738.61**	**-**	**-**
Other loans and advances				
Loans and Advances				
To Related Parties (Refer Note 26 (9))	69.15	46.99	-	0.21
To Other Body Corporate	9.10	49.46	-	-
Advance to Suppliers	8.54	8.54	680.36	766.32
Export benefits and entitlements	6.69	6.69	137.42	108.85
Amount recoverable from ESOP Trusts	359.90	231.96	-	-
Deposits				
Security Deposits	8.73	3.43	153.37	117.62
Others	109.24	106.22	1.08	2.48
Indirect Tax balances/recoverables/credits	129.95	32.95	1,347.19	852.69
Prepayments and Others	448.04	380.82	242.94	246.79
Advance Tax and Tax Deducted at Source (Net)	2.92	13.80	0.36	2.04
Minimum Alternative Tax credit entitlement	1,504.27	1,212.69	-	-
Advance towards Equity / Preference capital	6.95	4.89	-	-
Unbilled Revenue	-	-	35.56	20.62
Less : Provision for doubtful loans and advances	(20.76)	(19.07)	(63.04)	(59.30)
	2,642.72	**2,079.37**	**2,535.24**	**2,058.32**
Total	**3,342.00**	**2,817.98**	**2,535.24**	**2,058.32**

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current		Current	
Loans and Advances Constitute:				
Capital Advances				
Considered Good	699.28	738.61	-	-
Considered Doubtful, Provided	89.40	86.75	-	-
Other Loans and Advances				
Considered Good	2,642.72	2,079.37	2,535.24	2,058.32
Considered Doubtful, Provided				
Loans and Advances to Other Body Corporate	9.10	9.10	-	-
Advance to Supplier	8.54	8.54	-	-
Other Deposits	0.78	0.78	-	-
Prepayment and others	2.34	0.65	63.04	59.30

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 15 OTHER NON CURRENT ASSETS		
Trade Receivables (Refer note 18)	-	-
Cash and Bank Balances (Refer note 19)	16.03	14.36
Total	**16.03**	**14.36**

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 16 CURRENT INVESTMENTS		
Mutual Funds	143.51	204.00
Total	**143.51**	**204.00**

Note: Mode of Valuation - refer note 1(B-5)

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 17 INVENTORIES		
Raw Materials	2,007.02	2,597.93
Work-in-Progress	338.13	534.72
Semi Finished/ Finished Goods	2,154.62	1,743.17
Production Consumables and Stores & Spares	992.26	908.14
Construction Materials	3.20	5.30
Total	**5,495.23**	**5,789.26**
Details of stock-in-transit		
Raw Materials	288.46	482.33
Semi Finished/ Finished Goods	-	51.66
Production Consumables and Stores & Spares	54.46	29.02
Note: Mode of Valuation - refer note 1(B-7)		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current		Current	
Note 18 TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the date they are due for payment				
Considered Good	-	-	100.52	13.64
Considered Doubtful	8.73	6.42	18.07	18.31
Less: Provision for Doubtful debts	(8.73)	(6.42)	(18.07)	(18.31)
	-	**-**	**100.52**	**13.64**
Other Debts				
Considered Good	-	-	2,005.77	1,448.31
Total	**-**	**-**	**2,106.29**	**1,461.95**

(₹ in crores)

Particulars	As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
	Non -Current (Refer note 15)		Current	
Note 19 CASH AND BANK BALANCES				
Cash and Cash Equivalents				
Balances with Banks				
In Current Accounts	-	-	325.01	263.10
In Margin Money with maturity less than 3 months at inception	-	-	0.35	-
In Term Deposit Accounts with maturity less than 3 months at inception	-	-	483.41	1,060.83
Cheques in Hand	-	-	0.04	-
Cash on hand	-	-	0.56	0.75
	-	**-**	**809.37***	**1,324.68***
Others				
In Margin Money with maturity more than 3 months but less than 12 months at inception	-	-	1.43	5.47
In Term Deposit Accounts				
with maturity more than 3 months but less than 12 months at inception	-	-	838.99	1,715.79
with maturity more than 12 months at inception	16.03	14.36	3.58	1.03
	16.03	**14.36**	**844.00**	**1,722.29**
Total	**16.03**	**14.36**	**1,653.37**	**3,046.97**
* Refer cash flow statement				
Earmarked balances				
In Current Accounts	-	-	65.88	20.84
In Term Deposit Accounts	16.03	14.36	1,280.44	2,328.59
In Margin Money	-	-	1.03	0.93

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 20 REVENUE FROM OPERATIONS		
Sale of Products		
Domestic Turnover	33,196.52	30,691.11
Export Turnover	8,218.54	5,969.02
Contract Revenue	48.09	59.70
	41,463.15	**36,719.83**
Less: Excise duty	3,368.19	2,596.18
	38,094.96	**34,123.65**
Other Operating Revenues		
Carbon Credits	17.07	13.37
Miscellaneous Income	97.62	231.03
	114.69	**244.40**
Total	**38,209.65**	**34,368.05**

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 21 OTHER INCOME		
Interest Income	45.52	32.58
Dividend Income		
from long-term Investments	3.96	7.85
from Current Investments	0.02	0.10
Profit on sale of current investment	16.89	14.90
Profit on sale of fixed assets (net)	-	0.08
Other Income	3.34	21.34
Total	**69.73**	**76.85**

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK IN TRADE		
Opening Stock :		
Semi Finished / Finished Goods	1,743.17	1,520.97
Work-in-progress	534.72	280.38
	2,277.89	**1,801.35**
Closing Stock :		
Semi Finished / Finished Goods	2,154.62	1,743.17
Work-in-progress	338.13	534.72
	2,492.75	**2,277.89**
	(214.86)	**(476.54)**
Excise duty on stock of finished goods (net)	62.42	32.89
Total	**(152.44)**	**(443.65)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2013

(₹ in crores)

Particulars	As at 31 March 2013	As at 31 March 2012
Note 23 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	881.82	754.44
Contribution to Provident and Other Funds	40.05	47.63
Expenses on employees stock option scheme	5.74	10.35
Staff Welfare Expenses	52.64	33.97
Total	**980.25**	**846.39**

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 24 FINANCE COSTS		
Interest	1,833.35	1,294.22
Other borrowing costs	134.11	133.08
Total	**1,967.46**	**1,427.30**

(₹ in crores)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
Note 25 OTHER EXPENSES		
Stores and Spares consumed	1,687.55	1,428.83
Power and Fuel	2,041.00	1,751.87
Rent	23.42	15.40
Repairs & Maintenance		
Plant & Machinery	771.96	646.59
Buildings	72.66	47.09
Others	18.81	15.97
Insurance	90.26	80.03
Rates and Taxes	29.31	29.18
Carriage and Freight	1,379.14	1,038.23
Jobwork and Processing Charges	39.82	26.56
Commission on Sales	23.88	39.92
Donations & Contributions	3.21	3.13
Miscellaneous Expenses	359.58	367.85
Provision for Doubtful Debts/Loans/Advances (net)	8.82	1.10
Loss on sale of fixed assets (net)	7.59	-
Total	**6,557.01**	**5,491.75**

Note 26 NOTES TO ACCOUNTS

1. **Contingent Liabilities not provided for in respect of :**

   a) Bills Discounted ₹ 3,562.60 crores (Previous year ₹ 3,960.04 crores).

   b) Guarantees provided ₹ 62.56 crores (Previous year ₹ 112.40 crores).

   c) Disputed claims/levies (excluding interest, if any), in respect of:

      (i) Excise Duty ₹ 203.39 crores (Previous year ₹ 202.57 crores);

      (ii) Custom Duty ₹ 636.16 crores (Previous year ₹ 481.03 crores);

      (iii) Income Tax ₹ 15.73 crores (Previous year ₹ 3.38 crores);

      (iv) Sales Tax / Special Entry tax ₹ 229.22 crores (Previous year ₹ 171.10 crores);

      (v) Service Tax ₹ 98.10 crores (Previous year ₹ 70.08 crores);

      (vi) Miscellaneous ₹ 0.05 crores (Previous year ₹ 0.05 crores);

      (vii) Levies by local authorities ₹ 3.04 crores (Previous year ₹ 5.44 crores);

      (viii) Custom duty on import of equipments and spare parts under Export Promotion Capital Goods Scheme ₹ Nil (Previous year ₹ 50.07 crores); and

      (ix) Claims etc. by suppliers and other parties (including for Forest Development Tax) ₹ 920.05 crores (Previous year ₹ 572.14 crores).

      In 2008, the State of Karnataka levied a Forest Development Tax (FDT) treating iron ore as a forest produce. Writ Petitions challenging the levy of FDT filed before Karnataka High Court by various stakeholders are pending for disposal. Accordingly, the Group has disclosed in the financial statements FDT paid under protest of ₹ 659.53 crores (including under e auction) as an advance and ₹ 890.08 crores (above) as a contingent liability.

   d) Dividend in arrears (including tax) on Cumulative Redeemable Preference Shares ₹ 0.19 crores (Previous year ₹ 0.17 crores).

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹4,566.94 crores (Previous year ₹ 4,409.46 crores).

3. **Other Commitments :**

   a) The Company has issued an undertaking to associate bankers for non disposal of its investment of ₹ 2,357.11 crores (Previous year ₹ 2,357.11 crores) in an associate till that entity repays its debts.

   b) The Group has imported capital goods under the Export Promotion Capital Goods Scheme to utilise the benefit of a zero or concessional customs duty rate. These benefits are subject to future exports. Such export obligations at year end aggregate to ₹ 11,295.30 crores (Previous year 16,912.59 crores) by the Group within the stipulated period.

4. On 3rd May 2013 the Bombay High Court sanctioned a Composite Scheme of Amalgamation and Arrangement under sections 391 to 394 of the Companies Act, 1956 amongst JSW Steel Limited, JSW ISPAT Steel Limited, JSW Building Systems Limited, JSW Steel Coated Products Limited and their respective shareholders and creditors with effect from 1 July 2012, being the appointed date. The certified copy of the Court Order is awaited, on receipt of which the Company will initiate requisite formalities to give effect to the Scheme. Accordingly therefore, the accounting treatment laid out in the Scheme and consequential adjustments that would arise will be dealt with by the Company in the financial statements, once the Scheme is implemented.

5. a) Due to the significant movement and volatility in the value of the rupee against US dollar, the net foreign exchange loss has been considered by the Company as exceptional in nature.

   b) Exceptional items related to an associate entity (group's share):

	(₹ in crores)
Provision towards doubtful debts/advances and diminution in the value of investments,/ inventories etc	22.56
Net foreign exchange fluctuation loss on operating balances/forward exchange contracts and mark-to-market loss on derivative contracts	38.24
Total	**60.80**

6. Derivatives:

a) The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The use of foreign currency forward contracts is governed by the Group's strategy approved by the Board of Directors, which provide principles on the use of such forward contracts consistent with the Group's Risk Management Policy.

The Forward Exchange Contracts entered into by the Group and outstanding are as under:

As at	No. of Contracts	Type	US$ equivalent (Million)	INR Equivalent (crores)
31.03.2013	17	Buy	55.67	302.76
	13	Sell	99.37	540.46
31.03.2012	26	Buy	145.07	742.15
	76	Sell	241.72	1,236.58

b) The Group also uses derivative contracts other than forward contracts to hedge the interest rate and currency risk on capital account. Such transactions are governed by the strategy approved by the Board of Directors, which provide principles on the use of these instruments, consistent with the Group's Risk Management Policy. The Group does not use these contracts for speculative purposes.

Notional value of Interest Rate Swaps (IRS) to hedge against fluctuations in interest rate changes are as under:

As at	No. of Contracts	US$ Equivalent of notional value (Million)	MTM of IRS (INR crores)
31.03.2013	8	61.00	(12.26)
31.03.2012	9	74.50	(13.90)

Currency Swaps to hedge against fluctuations in changes in exchange rate and interest rate:

As at	No. of Contracts	US$ Equivalent of notional value (Million)	MTM of IRS (INR crores)
31.03.2013	-	-	-
31.03.2012	1	25	(15.30)

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

(a) Amount receivable in foreign currency on account of the following:

Particulars	Current Year		Previous Year	
	US$ equivalent (Million)	INR Equivalent (crores)	US$ equivalent (Million)	INR Equivalent (crores)
Trade Receivables	11.26	61.22	2.35	12.01
Balances with banks				
-in Fixed Deposit Account	0.01	0.03	0.01	0.04
-in Current Account	0.01	0.04	0.03	0.13

b) Amounts payable in foreign currency on account of the following:

Particulars	Current Year		Previous Year	
	US$ equivalent (Million)	INR Equivalent (crores)	US$ equivalent (Million)	INR Equivalent (crores)
Loans payable	1,269.99	6,907.41	1,186.13	6,067.83
Advance from Customer	29.18	128.49	80.92	356.39
Acceptances	1,139.96	6,200.14	1, 156.75	5,917.52
Trade Payables	131.54	715.43	116.05	593.66
Payable for Capital Projects	408.61	2,222.42	413.18	2,113.69
Interest Accrued but not due on Borrowings	9.99	54.32	6.94	35.52
Redemption premium payable on FCCB's	-	-	110.52	565.36

7. Employee Benefits:

a) Defined Contribution Plan:

The group's contribution to Provident Fund ₹ 27.62 crores (Previous year ₹ 25.86 crores).

b) Defined Benefit Plans-

(i) Gratuity:

		(₹ in crores)
	Current Year	**Previous Year**
a) Liability recognized in the Balance Sheet		
i) Present value of obligation		
Opening Balance	75.14	50.11
Service Cost	6.75	4.82
Interest Cost	6.38	4.01
Actuarial loss on obligation	6.53	18.99
Benefits paid	(2.87)	(2.79)
Closing Balance	91.94	75.14
Less:		
ii) Fair Value of Plan Assets		
Opening Balance	50.05	38.15
Expected Return on Plan assets less loss on investments	4.30	3.05
Actuarial gain / (loss) on Plan Assets	1.37	(0.78)
Employers' Contribution	0.03	11.54
Benefits paid	(2.68)	(1.92)
Closing Balance	53.06	50.04
Amount recognized in Balance Sheet	38.87	25.10
b) Expenses during the year		
Service cost	6.75	4.82
Interest cost	6.38	4.01
Expected Return on Plan assets	(4.30)	(3.05)
Actuarial Loss	5.16	19.77
Transferred to preoperative expenses	(0.23)	(0.84)
Total	**13.76**	**24.71**
c) Actual Return on plan assets	5.68	2.28
d) Break up of Plan Assets :		
(i) ICICI Prudential Life Insurance Co. Limited		
Balanced Fund	2.74	3.40
Group Debt Fund	11.23	4.10
Group Short Term Debt Fund	0.06	1.52
Endowment plan	-	6.20
(ii) HDFC Standard Life Insurance Co. Limited		
Defensive Managed Fund	1.17	1.07
Stable Managed Fund	12.54	11.46
Liquid Fund II	0.03	0.03
(iii) SBI Life Insurance Co. Limited – Cap Assured Fund	18.07	15.52
(iv) LIC of India – Insurer Managed Fund	7.23	6.74
e) Principal actuarial assumptions		
Rate of Discounting	8% to 8.75% p.a.	8% to 8.75% p.a.
Expected Return on Plan Assets	8.7% p.a.	8.6% p.a.
Rate of increase in salaries	6% p.a.	6% p.a.
Attrition Rate	2% p.a.	2% p.a.

The group expects to contribute ₹ 37.50 crores to its Gratuity Plan for the next year.

In assessing the group's Post Retirement Liabilities the group monitors mortality assumptions and uses up-to-date mortality tables, the base being The Indian Assured Lives Mortality (2006-08) Ultimate.

Expected return on plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Other disclosures:

					(₹ in crores)
Particulars	**Current Year**	**2011-12**	**2010-11**	**2009-10**	**2008-09**
Defined Benefit Obligation	91.94	75.14	50.11	37.21	31.39
Plan Assets	53.07	50.04	38.15	33.66	26.14
Deficit	(38.87)	(25.10)	(11.96)	(3.55)	(5.25)

(ii) Provident Fund:

The Group makes monthly contributions to Provident Fund managed by Trust for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits.

In keeping with the Guidance on Implementing Accounting Standard (AS) 15 (Revised) on Employee Benefits notified by the Companies (Accounting Standards) Rules, 2006, employer established provident fund trusts are treated as Defined Benefit Plans, since the Group is obliged to meet interest shortfall, if any, with respect to covered employees. According to the actuarial Valuation, the Defined Benefit Obligation of Interest rate Guarantee on exempted Provident Fund in respect of employees of the Group as at 31st March, 2013 works out to ₹ NIL (previous year ₹ Nil) and hence no provision is required to be provided for in the books of accounts towards the guarantee given for notified interest rates.

Actuarial assumptions made to determine Interest Rate Guarantee on Exempt Provident Fund Liabilities are as follows:

		(₹ in crores)
Particulars	**31 March 2013**	**31 March 2012**
Rate of Discounting	8.25%	8.50%
Rate of return on assets	9.14%	9.04%
Guaranteed Rate of Return	8.50%	8.25%

8. Segment Reporting:

The group is primarily engaged in the business of manufacture and sale of iron and steel Products. The Group has identified primary business segments, namely Steel, Power (used mainly for captive consumption) and others, which in the context of Accounting Standard 17 on "Segment Reporting" constitute reportable segments.

I) Information about Primary Business Segments

(₹ in crores)

Particulars	Current Year 31.03.2013					Previous Year 31.03.2012				
	Steel	Power	Other	Eliminations	Total	Steel	Power	Other	Eliminations	Total
INCOME :										
External Sales	36,347.52	1,088.53	773.60		38,209.65	33,445.30	370.77	551.98		34,368.05
Inter Segment Sales	1,674.85	3,040.97	-	(4,715.82)		1,305.74	2,340.11	4.97	(3,650.82)	
Total Income	**38,022.37**	**4,129.50**	**773.60**	**(4,715.82)**	**38,209.65**	**34,751.04**	**2,710.88**	**556.95**	**(3,650.82)**	**34,368.05**
SEGMENT RESULTS										
Segment/ Operating Results	2,606.14	1,081.88	21.41		3,709.43	1,813.99	535.60	60.11		2,409.70
Un-allocated Items: Income"					66.39					55.43
Finance Costs					(1,967.46)					(1,427.30)
Provision for Taxation					(845.25)					(500.15)
Net Profit					**963.11**					**537.68**
OTHER INFORMATION										
Segment Assets	47,596.00	2,558.77	1,425.36		51,580.13	42,952.35	2,284.83	1,270.85		46,508.03
Un-allocated Assets					6,147.85					7,721.49
Total Assets					**57,727.98**					**54,229.52**
Segment Liabilities	13,864.86	604.00	274.99		14,743.85	13,167.36	456.75	259.52		13,883.63
Un-allocated Liabilities & Provisions					25,443.24					23,378.65
Total Liabilities					**40,187.09**					**37,262.28**
Depreciation	2,072.61	125.29	39.58		2,237.48	1,817.86	79.74	35.55		1,933.15
Total Cost incurred during the year to acquire Segment Assets	**5,704.68**	**44.34**	**42.30**		**5,791.32**	**4,546.61**	**485.10**	**70.41**		**5,102.12**

1. Inter Segment transfer from the power segment is measured at the rate at which power is purchased from/sold to the respective Electricity Board.
2. Inter Segment transfer from the steel segment is measured on the basis of fuel cost.
3. Other business segment represents mining and construction activities.

II) Information about Secondary Segment- Geographical Segment

(₹ in crores)

Particulars	Current Year 31.03.2013			Previous Year 31.03.2012		
	India entities	Foreign entities	Total	India entities	Foreign entities	Total
Segment revenue	35,485.26	2,724.39	38,209.65	31,796.35	2,571.70	34,368.05
Segment assets	48,475.96	9,252.02	57,727.98	46,460.91	7,768.61	54,229.52
Capital expenditure incurred	5,666.69	124.63	5,791.32	5,000.87	101.25	5,102.12

9. Related Parties disclosure as per Accounting Standard (AS) – 18:

A) List of Related Parties

Parties with whom the Company has entered into transactions during the year where control exists :

1 Associates

Jindal Praxair Oxygen Company Private Limited
JSW Energy (Bengal) Limited (upto 4.03.2012)
JSW Ispat Steel Limited.

2 Joint Ventures

Vijayanagar Minerals Private Limited
Rohne Coal Company Private Limited
Gourangdih Coal Limited
Toshiba JSW Turbine and Generator Private Limited
JSW Severfield Structures Limited
Geo Steel LLC
MJSJ Coal Limited
JSW Structural Metal Decking Limited
JSW MI Steel Service Center Private Limited

3 Key Management Personnel

Mr. Sajjan Jindal
Mr. Seshagiri Rao M V S
Dr. Vinod Nowal
Mr. Jayant Acharya

4 Relative of Key Management Personnel

Mrs. Savitri Devi Jindal
Mr. Parth Jindal

5 Enterprises over which Key Management Personnel and Relatives of such personnel exercise significant influence

JSW Energy Limited
JSL Limited
JSW Realty & Infrastructure Private Limited
Jindal Saw Limited
Jindal Steel & Power Limited
JSOFT Solutions Limited
Jindal Industries Limited
JSW Cement Limited
JSW Jaigarh Port Limited
Reynold Traders Private Limited
Raj West Power Limited
JSW Power Trading Company Limited
JSW Aluminium Limited
O P Jindal Foundation
JSW Infrastructure Limited
South West Port Limited
JSW Techno Projects Management Limited
Sapphire Technologies Limited
St. James Investment Limited
South West Mining Limited
JSL Architecture Limited
JSW Projects Limited
Jindal Technologies & Management Services Private Limited
Jindal Aluminum Limited

(₹ in crores)

Particulars	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
B. Transactions with related parties						
Party's Name						
Purchase of Goods / Power & Fuel / Services						
JSW Energy Limited	-	-	-	-	349.16	349.16
	-	-	-	-	388.58	388.58
JSW Ispat Steel Limited	3,539.91	-	-	-	-	3,539.91
	2,741.54	-	-	-	-	2,741.54
Others	188.29	0.37	-	-	600.40	789.06
	111.59	9.38	-	-	411.79	532.76
Total	**3,728.20**	**0.37**	**-**	**-**	**949.56**	**4,678.13**
	2,853.13	9.38	-	-	800.37	3,662.88
Reimbursement of Expenses incurred on our behalf by						
JSW Energy Limited	-	-	-	-	1.26	1.26
	-	-	-	-	-	-
JSW Ispat Steel Limited	5.27	-	-	-	-	5.27
	3.35	-	-	-	-	3.35
Others	-	0.31	-	-	0.12	0.43
	-	0.13	-	-	0.03	0.16
Total	**5.27**	**0.31**	**-**	**-**	**1.38**	**6.96**
	3.35	0.13	-	-	0.03	3.51
Material Taken on Loan						
JSW Energy Limited	-	-	-	-	31.80	31.80
	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**31.80**	**31.80**
	-	-	-	-	-	-
Interest Expenses						
St . James Investment Limited	-	-	-	-	8.24	8.24
	-	-	-	-	7.05	7.05
Total	**-**	**-**	**-**	**-**	**8.24**	**8.24**
	-	-	-	-	7.05	7.05
Sales of Goods/Power & Fuel/ Other Income						
JSW Energy Limited	-	-	-	-	41.09	41.09
	-	-	-	-	468.30	468.30
Jindal Industriers Limited	-	-	-	-	362.52	362.52
	-	-	-	-	257.30	257.30
JSW Ispat Steel Limited	488.24	-	-	-	-	488.24
	1,215.19	-	-	-	-	1,215.19
Jindal Saw Limited	-	-	-	-	301.52	301.52
	-	-	-	-	337.55	337.55
JSW Power Trading Company Limited					1,015.66	1,015.66
					298.97	298.97
Others	8.76	13.58	-	-	229.98	252.32
	8.28	3.21	-	-	237.94	249.43
Total	**497.00**	**13.58**	**-**	**-**	**1,950.77**	**2,461.35**
	1,223.47	3.21	-	-	1,600.06	2,826.74

(₹ in crores)

Particulars	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Other Income						
JSW Ispat Steel Limited	2.42	-	-	-	-	2.42
	1.50	-	-	-	-	1.50
JSW Realty & Infrastructure Private Limited	-	-	-	-	1.93	1.93
	-	-	-	-	0.19	0.19
JSW Energy Limited	-	-	-	-	3.99	3.99
	-	-	-	-	8.63	8.63
Jindal Praxair Oxygen Company Private Limited	1.96	-	-	-	-	1.96
	0.42	-	-	-	-	0.42
Others		0.03	-	-	0.74	0.77
	-	0.01	-	-	0.60	0.61
Total	**4.38**	**0.03**	**-**	**-**	**6.66**	**11.07**
	1.92	0.01	-	-	9.42	11.35
Purchase of Assets						
Jindal Steel & Power Limited	-	-	-	-	182.21	182.21
	-	-	-	-	128.72	128.72
JSW Energy Limited	-	-	-	-	15.99	15.99
	-	-	-	-	28.07	28.07
South West Mining Limited	-	-	-	-	14.95	14.95
	-	-	-	-	39.29	39.29
JSW Cement Limited	-	-	-	-	18.20	18.20
	-	-	-	-	26.62	26.62
JSW Severfield Structures Limited	-	52.63	-	-	-	52.63
	-	18.09	-	-	-	18.09
JSW Techno Projects Management Limited	-	-	-	-	37.66	37.66
	-	-	-	-	-	-
Others	13.60	-	-	-	13.38	26.98
	2.48	-	-	-	10.20	12.68
Total	**13.60**	**52.63**	**-**	**-**	**282.39**	**348.62**
	2.48	18.09	-	-	232.90	253.47
Donation Given						
O.P. Jindal Foundation	-	-	-	-	0.50	0.50
	-	-	-	-	0.49	0.49
Total	**-**	**-**	**-**	**-**	**0.50**	**0.50**
	-	-	-	-	0.49	0.49
Recovery of Expenses incurred by us on their behalf						
JSW Energy Limited	-	-	-	-	2.70	2.70
	-	-	-	-	4.06	4.06
JSW Ispat Steel Limited	14.59	-	-	-	-	14.59
	6.82	-	-	-	-	6.82
Others	-	-	-	-	3.61	3.61
	-	0.02	-	-	1.61	1.63
Total	**14.59**	**-**	**-**	**-**	**6.31**	**20.90**
	6.82	0.02	-	-	5.67	12.51

(₹ in crores)

Particulars	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Investments / Share Application Money given during the year						
Rohne Coal Company Private Limited	-	2.00	-	-	-	2.00
	-	1.65	-	-	-	1.65
MJSJ Coal limited	-	2.75	-	-	-	2.75
	-	3.30	-	-	-	3.30
Total	**-**	**4.75**	**-**	**-**	**-**	**4.75**
	-	4.95	-	-	-	4.95
Lease & Other deposits given						
JSW Projects Limited	-	-	-	-	-	-
	-	-	-	-	1.99	1.99
Total	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	1.99	1.99
Advance given Received back						
JSW Aluminium Limited	-	-	-	-	-	-
	-	-	-	-	0.16	0.16
Total	**-**	**-**	**-**	**-**	**-**	**-**
	-	-	-	-	0.16	0.16
Redemption of Shares						
Jindal Praxair Oxygen Company Private Limited	54.66	-	-	-	-	54.66
	26.33	-	-	-	-	26.33
Total	**54.66**	**-**	**-**	**-**	**-**	**54.66**
	26.33	-	-	-	-	26.33
Remuneration to key managerial personnel						
Mrs. Savitri Devi Jindal	-	-	-	-	-	-
	-	-	-	0.15	-	0.15
Mr. Sajjan Jindal	-	-	20.25	-	-	20.25
	-	-	18.18	-	-	18.18
Mr. Seshagiri Rao M V S	-	-	3.61	-	-	3.61
	-	-	3.39	-	-	3.39
Dr. Vinod Nowal	-	-	2.70	-	-	2.70
	-	-	2.52	-	-	2.52
Mr. Parth Jindal	-	-	-	0.04	-	0.04
	-	-	-	-	-	-
Mr. Jayant Acharya	-	-	2.33	-	-	2.33
	-	-	2.21	-	-	2.21
Total	**-**	**-**	**28.89**	**0.04**	**-**	**28.93**
	-	-	26.30	0.15	-	26.45
C. Closing balance of related parties						
Trade payables						
Jindal Praxair Oxygen Company Private Limited	17.42	-	-	-	-	17.42
	12.63	-	-	-	-	12.63
South West Port Limited	-	-	-	-	26.90	26.90
	-	-	-	-	14.31	14.31

(₹ in crores)

Particulars	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
St . James Investment Limited	-	-	-	-	39.56	39.56
	-	-	-	-	29.46	29.46
JSW Energy Limited	-		-	-	113.30	113.30
	-	-	-	-	42.17	42.17
JSW Ispat Steel Limited.	32.58	-	-	-	-	32.58
	-	-	-	-	-	-
South West Mining Limited	-	-	-	-	30.71	30.71
	-	-	-	-	4.50	4.50
Others	-	0.24	-	-	36.13	36.37
	-	1.78	-	-	7.19	8.97
Total	**50.00**	**0.24**	**-**	**-**	**246.60**	**296.84**
	12.63	1.78	-	-	97.63	112.04
Notes Payable						
St . James Investment Limited	-	-	-	-	233.87	233.87
	-	-	-	-	219.99	219.99
Total	**-**	**-**	**-**	**-**	**233.87**	**233.87**
	-	-	-	-	219.99	219.99
Advance recieved from Customers						
Jindal Steel & Power Limited	-	-	-	-	1.51	1.51
	-	-	-	-	-	-
Raj west Power Limited	-	-	-	-	1.86	1.86
	-	-	-	-	0.87	0.87
JSW Jaigarh Port Limited	-	-	-	-	1.30	1.30
	-	-	-	-	0.08	0.08
Others	-	-	-	-	-	-
	-	-	-	-	0.14	0.14
Total	**-**	**-**	**-**	**-**	**4.67**	**4.67**
	-	-	-	-	1.09	1.09
Lease & Other deposit received						
Jindal Praxair Oxygen Company Private Limited	3.83	-	-	-	-	3.83
	3.83	-	-	-	-	3.83
JSW Energy Limited	-	-	-	-	10.19	10.19
	-	-	-	-	10.19	10.19
JSW Severfield Structures Limited	-	6.50	-	-	-	6.50
	-	6.50	-	-	-	6.50
Jindal Saw Limited	-	-	-	-	5.00	5.00
	-	-	-	-	5.00	5.00
JSW Jaigarh Port Limited	-	-	-	-	3.50	3.50
	-	-	-	-	3.50	3.50
Others	-	-	-	-	2.00	2.00
	-	-	-	-	1.99	1.99
Total	**3.83**	**6.50**	**-**	**-**	**20.69**	**31.02**
	3.83	6.50	-	-	20.68	31.01

(₹ in crores)

Particulars	Associates	Joint Ventures	Key Managerial Personnel	Relatives of Key Manegerial Personnel	Enterprises over which KMP and relatives of such personnel exercise Significant influences.	Total
Trade receivables						
JSW Cement Limited	–	–	–	–	37.59	37.59
	–	–	–	–	24.83	24.83
JSW Ispat Steel Limited	54.82	–	–	–	–	54.82
	25.98	–	–	–	–	25.98
JSW Power Trading Company Limited	–	–	–	–	364.35	364.35
	–	–	–	–	66.91	66.91
Others	–	–	–	–	51.21	51.21
	–	0.22	–	–	25.86	26.08
Total	**54.82**	**-**	**-**	**-**	**453.15**	**507.97**
	25.98	0.22	–	–	117.60	143.80
Capital / Revenue Advances Given						
Jindal Steel & Power Limited	–	–	–	–	–	–
	–	–	–	–	14.71	14.71
JSW Projects Limited	–	–	–	–	251.31	251.31
	–	–	–	–	–	–
Others	–	8.25	–	–	2.36	10.61
	–	5.43	–	–	0.17	5.60
Total	**-**	**8.25**	**-**	**-**	**253.67**	**261.92**
	–	5.43	–	–	14.88	20.31
Share Application Money						
Vijayanagar Minerals Private Limited	–	2.43	–	–	–	2.43
	–	2.42	–	–	–	2.42
Rohne Coal Company Private Limited	–	4.46	–	–	–	4.46
	–	2.45	–	–	–	2.45
Others	–	0.07	–	–	–	0.07
	–	0.03	–	–	–	0.03
Total	**-**	**6.96**	**-**	**-**	**-**	**6.96**
	–	4.90	–	–	–	4.90
Other advances given						
JSW Aluminium Limited	–	–	–	–	0.01	0.01
	–	–	–	–	0.01	0.01
Gourangdih Coal Limited	–	0.19	–	–	–	0.19
	–	0.19	–	–	–	0.19
JSW Realty & Infrastructure Private Limited.	–	–	–	–	69.15	69.15
	–	–	–	–	47.63	47.63
Others	–	–	–	–	1.93	1.93
	–	–	–	–	–	–
Total	**-**	**0.19**	**-**	**-**	**71.09**	**71.28**
	–	0.19	–	–	47.64	47.83
Investments held by the Company						
JSW Ispat Steel Limited	2,357.11	–	–	–	–	2,357.11
	2,357.11	–	–	–	–	2,357.11
Others	27.28	27.20	–	–	250.90	305.38
	66.15	24.45	–	–	250.90	341.50
Total	**2,384.39**	**27.20**	**-**	**-**	**250.90**	**2,662.49**
	2,423.26	24.45	–	–	250.90	2,698.61

Figures in blue colour represents current year numbers

10. Finance Lease

As Lessee:

i. The Group has acquired equipments for ₹ 106.08 crores through finance lease. The finance leases are for various durations with last lease maturing in 2016. The amount of depreciation charged in the statement of profit and loss till 31 March 2013 was ₹ 46.77 crores and the book value is ₹ 59.31 crores.

ii. The Minimum Lease Payments as at 31 March 2013 and the present value as at 31 March 2013 of minimum lease payments in respect of assets acquired under the finance leases are as follows:

(₹ in crores)

Particulars	Minimum Lease Payments		Present Value of Minimum Lease Payments	
	As at 31.03.13	As at 31.03.12	As at 31.03.13	As at 31.03.12
Payable not later than 1 year	22.98	22.42	19.60	18.07
Payable later than 1 year and not later than 5 years	44.04	63.03	41.31	57.29
Payable later than 5 years	--	--	--	--
Total	**67.01**	**85.45**	**60.91**	**75.36**
Less: Future Finance Charges	6.10	10.09		
Present Value of Minimum Lease Payments	60.91	75.36		

11. Operating Lease

a) As Lessor:

i. The Group has entered into lease arrangements, for renting :

2,279 houses (admeasuring approximately 1,410,997 square feet) at the rate of ₹ 100/- per house per annum, for a period of 180 months.

684 houses (admeasuring approximately 350,103 square feet) at the rate of ₹ 24/- per square feet per annum, for a period of 36 to 60 months.

9 houses (admeasuring approximately 9,027 square feet) at the rate of ₹ 43/- per square feet per month per house, for a period of 60 months.

Office premises (part) admeasuring approximately 15,392 square feet at the rate of ₹ 130 per square feet for a period of 11 months.

The agreements are renewable at the option of the lessee after the end of the lease term.

ii. Disclosure in respect of assets (building) given on operating lease :

(₹ in crores)

Particulars	Current Year	Previous Year
Gross Carrying amount of Assets	192.71	196.68
Accumulated Depreciation	20.68	20.60
Depreciation for the year	3.30	3.19

b) As Lessee:

Lease Rentals charged to revenue for right to use following assets are:

(₹ in crores)

Particulars	Current Year	Previous Year
Office Premises, Residential Flats etc.	23.42	15.40
Total	**23.42**	**15.40**

The agreements are executed for a period of 11 to 180 months with a renewable clause and also provide for termination at will by either party giving a prior notice period of 1 to 3 months.

Minimum lease payments under non-cancellable operating lease fall due as follows:

		(₹ in crores)
Particulars	**Current Year**	**Previous Year**
Due not later than one year	3.26	3.07
Due later than one year but not later than five years	3.26	6.14
Later than five years	-	-
Total	**6.53**	**9.21**

Operating lease payments represent rentals payable by the Group for lease of coal loading property. The agreement is executed for a period of 5 years with a renewable clause

12. The effect of acquisition of subsidiary on the financial position and the results as included in consolidated financial statements for the year ended on 31st March 2013 are given below:

		(₹ in crores)
Particulars	**As at 31 March 2013**	**As at 31 March 2012**
EQUITY AND LIABILITIES		
Shareholders' funds	49.28	65.51
Non Current Liabilities	-	80.46
Current liabilities	3.03	127.84
TOTAL	**52.31**	**273.81**
ASSETS		
Non-current assets	51.03	273.10
Current assets	1.28	0.71
TOTAL	**52.31**	**273.81**
Revenue from operations	-	-
Expenses:		
Depreciation	0.09	-
Other expenses	0.54	0.98
	0.63	0.98
Loss for the year	**(0.63)**	**(0.98)**

13. Earnings Per Share (EPS):

			(₹ in crores)
Particulars		**Current Year**	**Previous Year**
Profit after Tax	₹ in Crs	963.11	537.68
Less: Dividend on preference shares (Including corporate dividend tax)	₹ in Crs	32.43	32.43
Profit after tax for Equity share holders (Numerator)- Basic / Diluted (A)	₹ in Crs	930.68	505.25
Weighted average number of equity shares for Basic EPS (denominator) (B)	Nos.	223,117,200	223,117,200
Add: Potential Equity Shares on conversion of FCCB's / Warrants	Nos.	-	-*
Weighted average number of equity shares for Diluted EPS (denominator) (C)	Nos.	223,117,200	223,117,200
Earnings per share – Basic (A/B)	₹	41.71	22.65
Earnings per share – Diluted (A/C) (see note below)	₹	41.71	22.65
Nominal value per share	₹	10	10

* as anti dilutive

Note : There is no dilution to basic EPS during the year as there are no outstanding dilutive potential Equity shares.

14. Information of Subsidiaries as required under section 212 of the Companies Act, 1956

(₹ in crores)

	Name of the Subsidiary	JSW Steel (Netherlands) B.V.	JSW Steel (UK) Limited	Argent Independent Steel (Holdings) Limited	JSW Steel Service Centre (UK) Limited	JSW Steel Holdings (USA) Inc.	JSW Steel (USA) Inc.	Periama Holdings LLC	Prime Coal LLC	Planck Holdings LLC	Rolling S Augering LLC	Periama Handling LLC	Caretta Minerals LLC	Lower Hutchinson Minerals LLC	Meadow Creek Minerals LLC
A.	Share Capital	1,349.96	59.68	-	29.50	1,033.71	3,671.28	78.05	0.57	404.40	24.00	21.76	440.80	8.82	22.10
B.	Reserves	(338.88)	(6.97)	0.30	(1.49)	(325.77)	(999.87)	59.24	(18.54)	(1.75)	(8.46)	(14.81)	(0.07)	(1.22)	(28.72)
C.	Total Liabilities	1,306.15	0.09	11.59	0.24	3,374.95	4,083.99	664.27	46.24	111.70	25.62	27.85	40.81	6.00	34.78
D.	Total Assets	2,317.23	52.80	11.89	28.25	4,082.89	6,755.40	801.56	28.27	514.35	41.16	34.80	481.54	13.60	28.16
E.	Investment Included in Total Assets (Except for Investment in Subsidiaires)	37.31	-	-	-	-	-	-	-	-	-	-	-	-	-
F.	Turnover	-	-	-	0.93	-	1,927.10	-	-	-	7.21	6.66	-	0.65	5.31
G.	Profits / (Losses) before Taxes	(58.90)	(1.65)	-	(1.07)	(126.86)	(301.21)	(29.75)	(7.15)	-	(5.25)	(3.74)	(0.03)	(1.25)	(8.69)
H.	Provision for Taxation	-	-	-	-	(64.70)	(15.01)	(19.38)	-	-	-	-	-	-	-
I.	Profits / (Losses) after Taxes	(58.90)	(1.65)	-	(1.07)	(62.17)	(286.20)	(10.37)	(7.15)	-	(5.25)	(3.74)	(0.03)	(1.25)	(8.69)
J.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(₹ in crores)

	Name of the Subsidiary	Keenan Minerals LLC	Hutchinson Minerals LLC	Peace Leasing LLC	R.C. Minerals LLC	Purest Energy LLC	JSW Panama holding Corporation	Inversiones Eurosh Limitada	Santa Fe Mining	Santa Fe Puerto S.A.	JSW Natural Resources Ltd	JSW Natural Resources Mozambique Lda	JSW ADMS Carvo Lda	JSW Mali Resources SA	JSW Steel East Africa Limited
A.	Share Capital	2.93	27.78	-	42.02	67.17	0.54	0.24	10.70	0.26	74.27	31.81	-	0.11	1.59
B.	Reserves	(0.01)	(0.15)	0.04	-	0.38	25.89	(5.78)	96.83	0.02	(3.33)	(66.94)	(0.01)	(0.46)	(0.90)
C.	Total Liabilities	3.23	9.78	0.01	7.72	51.37	0.01	499.90	304.12	4.19	50.62	78.41	25.40	2.43	0.82
D.	Total Assets	6.15	37.41	0.05	49.74	118.92	26.44	494.36	411.65	4.47	121.56	43.28	25.39	2.08	1.51
E.	Investment Included in Total Assets (Except for Investment in Subsidiaires)	-	-	-	-	-	-	-	0.14	-	-	-	-	-	-
F.	Turnover	-	-	-	-	-	-	-	620.07	-	-	-	-	-	-
G.	Profits / (Losses) before Taxes	0.01	(0.07)	0.17	-	0.38	1.07	0.03	34.14	-	(1.77)	(4.81)	(0.01)	(0.46)	(0.87)
H.	Provision for Taxation	-	-	-	-	-	-	-	6.82	-	-	-	-	-	-
I.	Profits / (Losses) after Taxes	0.01	(0.07)	0.17	-	0.38	1.07	0.03	27.32	-	(1.77)	(4.81)	(0.01)	(0.46)	(0.87)
J.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(₹ in crores)

	Name of the Subsidiary	JSW Steel Processing Centres Limited	JSW Bengal Steel Limited	Barbil Beneficiation Company Limited	JSW Natural Resources India Limited	JSW Energy (Bengal) Limited	JSW Natural Resources Bengal Limited	Amba River Coke Limited	JSW Jharkhand Steel Limited	JSW Building System Limited	JSW Steel Coated Products Limited
A.	Share Capital	50.00	383.88	0.05	90.30	14.55	50.27	174.01	42.72	2.81	0.05
B.	Reserves	50.66	(8.45)	(0.01)	(0.94)	(0.84)	(1.03)	(2.80)	(0.61)	(0.13)	(0.01)
C.	Total Liabilities	57.65	29.49	0.05	3.63	80.40	3.03	790.41	0.61	0.01	-
D.	Total Assets	158.31	404.92	0.09	92.99	94.11	52.27	961.62	42.72	2.69	0.04
E.	Investment Included in Total Assets (Except for Investment in Subsidiaires)	-	-	-	-	-	-	-	0.41	2.63	0.02
F.	Turnover	56.54	-	-	-	-	-	-	-	-	-
G.	Profits / (Losses) before Taxes	23.40	(1.05)	-	(0.25)	(0.02)	(0.64)	(1.11)	-	-	-
H.	Provision for Taxation	8.06	0.90	-	-	-	-	0.11	-	-	-
I.	Profits / (Losses) after Taxes	15.34	(1.95)	-	(0.25)	(0.02)	(0.64)	(1.22)	-	-	-
J.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-

Note : The financial statements of subsidiaries are converted into Indian Rupees on the basis of exchange rate as on closing day of the financial year.

15. Comparative financial information (i.e. the amounts and other disclosure for the preceding year) presented above, is included as an integral part of the current year's financial statements, and is to be read in relation to the amounts and other disclosures relating to the current year. Figures of the previous year are regrouped and reclassified wherever necessary to correspond to figures of the current year.

For and on behalf of the Board of Directors

SAJJAN JINDAL
Chairman and Managing Director

LANCY VARGHESE
Company Secretary

RAJEEV PAI
Chief Financial Officer

SESHAGIRI RAO M.V.S.
Jt. Managing Director & Group CFO

Place : Mumbai,

Date : 23 May 2013

JSW Steel Limited

Regd. Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

E-COMMUNICATION REGISTRATION FORM

To,

Karvy Computershare Private Limited

Unit: **JSW Steel Limited**

Plot No. 17 to 24, Vittalrao Nagar,

Madhapur, Hyderabad - 500 081

Green Initiative in Corporate Governance

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Profit & Loss Account, Directors' Report, Auditor's Report etc. in electronic mode pursuant to the 'Green Initiative in Corporate Governance' taken by the Ministry of Corporate Affairs vide circular no. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communications:

Folio No. / DP ID & Client ID No. : ....

Name of 1st Registered Holder : ....

Name of Joint Holder(s), if any : ....

Registered Address of the Sole/
1st Registered Holder : ....

....

....

No. of Shares held : ....

E-mail ID (to be registered) : ....

Date: .... Signature: ....

Notes:

1) On registration, all communications will be sent to the e-mail ID registered.
2) The form is also available on the website of the Company www.jsw.in under the section 'Shareholder's information'.
3) Shareholders are requested to keep the Company's Registrar-Karvy Computershare Private Limited informed as and when there is any change in the e-mail address.

NATIONAL ELECTRONIC CLEARING SERVICES (NECS) MANDATE FORM

To, JSW Steel Limited C/o. Karvy Computershare Private Limited Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081 (In case of physical holding)	To, The Depository Participant concerned (In case of electronic holding)

Please fill in the information in CAPITAL LETTERS IN ENGLISH only.

Folio No./Client ID No.*

DP ID* I N

* Applicable only in case of Electronic holding.

For Office only	
ECS Ref. No.	

Name of Sole/First holder	
Bank Name	
Branch Name	
Branch code	(9 Digits Code number appearing on the MICR Band of the cheque supplied by the Bank). Please attach a photo copy of a cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the bank's name, branch name and code number.

Account type (Please Tick (✓) wherever applicable) → Savings ☐ Current ☐ Cash Credit ☐

A/c. No. (as appearing in the cheque book) →

I, hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, I shall not hold the Company/Karvy Computershare Private Limited, responsible. I agree to avail the NECS facility as implemented by JSW Steel Limited.

I further undertake to inform Karvy Computershare Private Limited/concerned Depository Participant of any change in the particulars given above to facilitate updation of records.

Place : ___________________

Date : ___________________

(Signature of Sole/First holder)

Notes :

1. Whenever the Shares in the given folio are entirely dematerialised, then this NECS mandate form if given to the Company will stand rescinded.
2. For shares held in dematerialised mode, NECS Mandate is required to be filed with the concerned Depository Participant.

JSW Steel Limited

Regd. Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

ATTENDANCE SLIP

Regd. Folio No. ....

** D.P. I.D. ....

** Client I.D. ....

NINETEENTH ANNUAL GENERAL MEETING – 30TH JULY, 2013

I certify that I am a member/ proxy for the member of the Company.

I hereby record my presence at the **Nineteenth Annual General Meeting** of the Company held on Tuesday, 30th July, 2013 at 11.00 a.m at Y.B. Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, Maharashtra.

_______________________________________ _______________________________________

* Member's / Proxy's Name in Block Letter * Member's / Proxy's Signature

Note:

1. Member / Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
2. The Copy of the Notice may please be brought to the Meeting Hall.

***Strike out whichever is not applicable.**

Tear Here

JSW Steel Limited

Regd. Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

PROXY FORM

Regd. Folio No. ....

** D.P. I.D. ....

** Client I.D. ....

NINETEENTH ANNUAL GENERAL MEETING – 30TH JULY, 2013

I/We ....

of ....

being a member / members of JSW Steel Limited, hereby appoint ....

.... of ....

or failing him / her ....

of ....

as my/our Proxy to attend and vote for me/us on my / our behalf at the **Nineteenth Annual General Meeting** of the Company to be held on Tuesday, 30th July, 2013 at 11.00 a.m Y.B. Chavan Auditorium, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, Maharashtra and at any adjournment thereof.

Signed this .... day of 2013

Note:

1. Proxy need not be a member.
2. Proxy form, complete in all respects, should reach the Company's Registered Office at JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, not less than 48 hours before the scheduled time of the meeting.

Signature ______ Affix Revenue Stamp ______

** Applicable only in case of investors holding shares in Electronic form.

BOOK POST

JSW Steel

Bringing alive a billion dreams

IF UNDELIVERED, PLEASE RETURN TO:

JSW Steel Limited

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New Prabhadevi Road, Prabhadevi
Mumbai - 400 025.

concept, content and design at aicl [info@aicl.in]
www.sapprints.com

Galvanised

Galvanised Plain Sheet/Coils - Product Range and Specifications

		Coil	Plain Sheet
1	Thickness		
	Soft	0.25 - 2.50mm	0.25 - 2.50mm
	Hard	0.10 - 1.00mm	0.10 - 1.00mm
2	Thickness Tolerance		
	0.10 - 0.25 mm	± 15 μ (Spread of 30μ)	± 15 μ (Spread of 30μ)
	0.251 - 0.50 mm	± 20 μ (Spread of 40μ)	± 20 μ (Spread of 40μ)
	0.501-1.0 mm	± 30 μ (Spread of 60μ)	± 30 μ (Spread of 60μ)
	>1.0 mm	± 2.5% of thickness or 100μ whichever is higher	± 2.5% of thickness or 100μ whichever is higher
3	Width		
	Mill Edge	760-1335 mm	760-1335 mm
	Tolerance	+5/-0 mm	+5/-0 mm
	Slit Edge	50-1250 mm	
	Tolerance	± 0.50 mm (spread of 1.0 mm)	
4	Length		
	Range	NA	4877 mm max.
5	Tolerance		
	Standard sheets		+10/-0 mm(spread of 10 mm)
	Blanks		± 1 mm(spread of 2 mm)
6	Coating	90-300 gsm	90-300 gsm
7	Edge Condition		
		Trimmed/mill Edge	Trimmed/mill Edge
8	Shape		
	Coil form	3 mm/3 waves per meter	3 mm/3 waves per meter
	Sheet form	3 mm/3 waves per meter	3 mm/3 waves per meter
9	Temper	Soft /Hard	Soft /Hard
	Stretch Levelling	0.25 - 2.5 mm	0.25 - 2.5 mm
	Skin Passed	0.30 - 2.5 mm	0.30 - 2.5 mm
10	Surface Roughness	0.6 - 2.0 μ	0.6 - 2.0 μ
	Surface Finish	Bright / Matte	Bright / Matte
	Spangle Type	Big/ Regular / Small Spangles	Big/ Regular / Small Spangles

		Coil	Plain Sheet
11	Surface Treatment	Chromated / Unchromated / Oiled/ Unoiled/ AFP	Chromated / Unchromated / Oiled/ Unoiled/ AFP
12	Oiling	100 - 1000 mg/m^2	100 - 1000 mg/m^2
13	Monogram	Online Logo can be given	Online Logo can be given
	J 16 & below		
	J 18 & below		
14	Liner Marking	As per Customer's requirement	As per Customer's requirement
15	Coil ID	508/610 mm	
16	Coil Winding		
	Soft	Controlled Staggered ±5 mm	
		Straight wound ⩾ 0.40 mm	
	Hard	Controlled Staggered ±5 mm	
17	Coil Weight		
	Thickness		
	<0.25 mm	2.0 - 6.0 t	
	0.251 - 0.50 mm	2.0 - 10.0 t	
	0.501-2.50 mm	2.0 - 22.0 t	
18	Packet Weight		2.00 - 4.50 t
19	Standards	IS 277; JIS G 3302; AS1397; EN 10326; EN 10327; ASTM A 653	IS 277; JIS G 3302; AS1397; EN 10326; EN 10327; ASTM A 653
20	Grades	Full Hard / Commercial/ Forming / Structural	Full Hard / Commercial/ Forming / Structural
21	Lock Forming Quality	Guaranteed for ⩽1.50 mm thickness	Guaranteed for ⩽1.50 mm thickness
22	Non Fluting Quality	2" mandrel thickness > 0.35 mm	2" mandrel thickness > 0.35 mm
		3" mandrel thickness 0.301 - 0.35 mm	3" mandrel thickness 0.301 - 0.35 mm
		5" mandrel thickness ⩽ 0.30 mm	5" mandrel thickness ⩽ 0.30 mm
23	Hardness		
	Full Hard	90 ± 5 HRB	90 ± 5 HRB
	Soft	60 ± 5 HRB	60 ± 5 HRB
24	Identification and Marking	Metal Marker / Barcode Sticker	Identification Sticker / Barcode Sticker

Galvanised - Soft (Commercial, Forming, Drawing)

Specification	Grade	Chemical Composition (Values are in %)									
		C	Mn	Si	P	S	Al	Cu	Ni	Cr	Mo
ASTM 653/A Low Carbon	CS Type A	0.10	0.60	-	0.030	0.035	-	0.200	0.200	0.150	0.060
	CS Type B	0.02 to 0.15	0.60	-	0.030	0.035	-	0.200	0.200	0.150	0.060
	CS Type C	0.08	0.60	-	0.100	0.035	-	0.200	0.200	0.150	0.060
	FS Type A	0.10	0.50	-	0.020	0.035	-	0.200	0.200	0.150	0.060
	FS Type B	0.02 to 0.10	0.50	-	0.020	0.030	-	0.200	0.200	0.150	0.060
	DDS	0.06	0.50	-	0.020	0.025	0.010 min.	0.200	0.200	0.150	0.060
	EDDS	0.02	0.40	-	0.020	0.020	0.010 min.	0.200	0.200	0.150	0.060
JIS G 3302	SGCC	0.12	0.60	-	0.040	0.040	-	-	-	-	-
	SGCH	0.15	0.60	-	0.050	0.050	-	-	-	-	-
	SGCD1	0.12	0.50	-	0.040	0.040	-	-	-	-	-
	SGCD2	0.10	0.45	-	0.030	0.030	-	-	-	-	-
	SGCD3	0.08	0.45	-	0.030	0.030	-	-	-	-	-
IS 277 : 2003 / IS 513 : 2008 (GI)	O	0.15	0.60	-	0.050	0.035	-	-	-	-	-
	D	0.12	0.50	-	0.400	0.035	-	-	-	-	-
	DD	0.10	0.45	-	0.025	0.300	-	-	-	-	-
	EDD (Al Killed)	0.08	0.40	-	0.020	0.030	-	-	-	-	-
	EDD (IF)	0.06	0.25	-	0.020	0.020	-	-	-	-	-
EN 10327	DX51D	0.12	0.60	0.50	0.100	0.045	-	-	-	-	-
	DX52D										
	DX53D										
	DX54D										
AS 1397	G1	0.12	0.50	-	0.040	0.035	-	-	-	-	-
	G2	0.10	0.45	-	0.030	0.030	-	-	-	-	-
	G3	0.08	0.40	-	0.020	0.025	-	-	-	-	-

Note:
^ L - Lateral ; T - Transverse
# In JIS - Elongation taken for thickness range 0.6 to 1.00 mm

Chemical Composition (Values are in %)					Mechanical Properties				
V	Cb	Ti	N	B	Yield Strength (Mpa min.)	Tensile Strength (Mpa min.)	% Elongation	Gauge Length (mm)	Direction (L / T ^)
0.008	0.008	0.025	-	-	170/380	-	>20	50 GL	L
0.008	0.008	0.025	-	-	205/380	-	>=20	50 GL	L
0.008	0.008	0.025	-	-	170/410	-	>=15	50 GL	L
0.008	0.008	0.025	-	-	170/310	-	>=26	50 GL	L
0.008	0.008	0.025	-	-	170/310	-	>=26	50 GL	L
0.008	0.008	0.025	-	-	140/240	-	>=32	50 GL	L
0.100	0.100	0.150	-	-	105/170	-	>=40	50 GL	L
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	270	36(#)	80 GL	L
-	-	-	-	-	-	270	38	80 GL	L
-	-	-	-	-	-	270	40	80 GL	L
-	-	-	-	-	280	410	28	50	T
-	-	-	-	-	240	370	31	50	T
-	-	-	-	-	220	350	35	50	T
-	-	-	-	-	210	350	37	50	T
-	-	0.150	-	-	190	350	40	50	T
-	-	0.300	-	-	-	270- 500	22	80 GL	T
					140-300	270-420	26	80 GL	T
					140-260	270-380	30	80 GL	T
					120-220	260-350	36	80 GL	T
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	30	27	T
-	-	-	-	-	-	-	35	32	T

Galvanised - Structural

Specification	Grade	Chemical Composition (Values are in %)										
		C	Mn	Si	P	S	Al	Cu	Ni	Cr	Mo	V
ASTM 653/A Structural	GradeSS 33 [230]	0.20	-	-	0.040	0.040	-	0.200	0.200	0.150	0.060	0.008
	GradeSS 37 [255]	0.20	-	-	0.100	0.040	-	0.200	0.200	0.150	0.060	0.008
	GradeSS 40 [275]	0.25	-	-	0.100	0.040	-	0.200	0.200	0.150	0.060	0.008
	Grade 50 [340] class 1	0.25	-	-	0.200	0.040	-	0.200	0.200	0.150	0.060	0.008
	Grade 50 [340] class 2	0.25	-	-	0.200	0.040	-	0.200	0.200	0.150	0.060	0.008
	Grade 50 [340] class 3	0.25	-	-	0.040	0.040	-	0.200	0.200	0.150	0.060	0.008
	Grade 80 [550]	0.20	-	-	0.040	0.040	-	0.200	0.200	0.150	0.060	0.008
ASTM 653/A Structural - HSLAS Type A	40 [275]	0.20	1.20	-	-	0.035	-	-	0.200	0.150	0.160	0.01 min.
	50 [340]	0.20	1.20	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	60 [410]	0.20	1.35	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	70 [480]	0.20	1.65	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	80 [550]	0.20	1.65	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
ASTM 653/A Structural - HSLAS Type B	40 [275]	0.15	1.20	-	-	0.035	-	-	0.200	0.150	0.160	0.01 min.
	50 [340]	0.15	1.20	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	60 [410]	0.15	1.20	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	70 [480]	0.15	1.65	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
	80 [550]	0.15	1.65	-	-	0.035	-	0.200	0.200	0.150	0.160	0.01 min.
JIS G 3302	SGC 340	0.25 max.	1.70 max.	-	0.10 max.	0.035 max.	-	-	-	-	-	-
	SGC 400	0.25 max.	1.70 max.	-	0.10 max.	0.035 max.	-	-	-	-	-	-
	SGC 440	0.25 max.	1.70 max.	-	0.20 max.	0.035 max.	-	-	-	-	-	-
	SGC 490	0.25 max.	1.70 max.	-	0.20 max.	0.035 max.	-	-	-	-	-	-
	SGC 570	0.25 max.	1.70 max.	-	0.20 max.	0.035 max.	-	-	-	-	-	-
EN 10326	S220 GD	0.20	1.70	0.60	0.100	0.045	-	-	-	-	-	-
	S250 GD											
	S280 GD											
	S320 GD											
	S350 GD											
	S550 GD											
AS 1397	G 250	0.12	0.50	-	0.040	0.035	-	-	-	-	-	-
	G 300	0.30	1.60	-	0.100	0.035	-	-	-	-	-	-
	G 350	0.30	1.60	-	0.100	0.035	-	-	-	-	-	-
	G 450	0.20	1.20	-	0.040	0.030	-	-	-	-	-	-
	G 500	0.20	1.20	-	0.040	0.030	-	-	-	-	-	-
	G 550	0.20	1.20	-	0.040	0.030	-	-	-	-	-	-

Note:
^ L - Lateral ; T - Transverse
DIN 17162 ES C.D7.001;

Chemical Composition (Values are in %)				Mechanical Properties				
Cb	Ti	N	B	Yield Strength (Mpa min.)	Tensile Strength (Mpa min.)	% Elongation	Gauge Length (mm)	Direction (L / T ^)
0.008	0.025	-	-	230	310	20	50 GL	L
0.008	0.025	-	-	255	360	18	50 GL	L
0.008	0.025	-	-	275	380	16	50 GL	L
0.008	0.025	-	-	340	450	12	50 GL	L
0.008	0.025	-	-	340	-	12	50 GL	L
0.008	0.025	-	-	340	480	12	50 GL	L
0.015	0.025	-	-	550	570	-	50 GL	L
0.005 min.	0.01 min.	-	-	275	340	22	50 GL	L
0.005 min.	0.01 min.	-	-	340	410	20	50 GL	L
0.005 min.	0.01 min.	-	-	410	480	16	50 GL	L
0.005 min.	0.01 min.	-	-	480	550	12	50 GL	L
0.005 min.	0.01 min.	-	-	550	620	10	50 GL	L
0.005 min.	0.01 min.	-	-	275	340	24	50 GL	L
0.005 min.	0.01 min.	-	-	340	410	22	50 GL	L
0.005 min.	0.01 min.	-	-	410	480	18	50 GL	L
0.005 min.	0.01 min.	-	-	480	550	14	50 GL	L
0.005 min.	0.01 min.	-	-	550	620	12	50 GL	L
-	-	-	-	245	340	20	80 GL	L
-	-	-	-	295	400	18	80 GL	L
-	-	-	-	335	440	18	80 GL	L
-	-	-	-	365	490	16	80 GL	L
-	-	-	-	560	570	-	80 GL	L
-	-	-	-	220	300	20	80 GL	L
				250	330	19	80 GL	L
				280	360	18	80 GL	L
				320	390	17	80 GL	L
				350	420	16	80 GL	L
				550	560	-	80 GL	L
-	-	-	-	250	320	25	22	L
-	-	-	-	300	340	20	18	L
-	-	-	-	350	420	15	14	L
-	-	-	-	450	480	10	9	L
-	-	-	-	500	520	8	7	L
-	-	-	-	550	550	2	2	L

Galvanised Plain - Bundle Weight Chart

Product Code	Weight in Kg of 21.946 (mtrs) for different widths					
	900 (mm)		1000 (mm)		1150 (mm)	
	min .	max.	min.	max.	min.	max.
J12	17.30	18.42	19.22	20.47	22.11	23.54
J13	18.43	19.95	20.48	22.17	23.55	25.49
J14	19.96	21.48	22.18	23.87	25.50	27.45
J16	21.49	24.55	23.88	27.28	27.46	31.37
J18	24.56	27.62	27.29	30.69	31.38	35.29
J20	27.63	30.69	30.70	34.10	35.31	39.22
J22	30.70	33.76	34.11	37.51	39.23	43.14
J25	33.77	38.76	37.52	43.07	43.15	49.53
J28	38.77	42.97	43.08	47.74	49.54	54.91
J30	42.98	46.51	47.76	51.68	54.92	59.43
J32	46.52	49.11	51.69	54.57	59.44	62.75
J35	49.12	54.27	54.58	60.30	62.76	69.35
J37	54.28	56.78	60.31	63.09	69.36	72.55
J40	56.79	62.02	63.10	68.91	72.57	79.25
J42	62.03	64.45	68.92	71.61	79.26	82.35
J45	64.46	69.77	71.62	77.52	82.37	89.15
J47	69.78	72.13	77.53	80.14	89.16	92.17
J50	72.14	77.52	80.16	86.13	92.18	99.05
J52	77.53	79.80	86.14	88.67	99.07	101.97
J55	79.81	85.28	88.68	94.76	101.98	108.97
J57	85.29	87.47	94.77	97.19	108.98	111.77
J60	87.48	93.03	97.20	103.37	111.78	118.87
J63	93.04	97.68	103.38	108.53	118.88	124.81
J65	97.69	99.75	108.54	110.83	124.83	127.46
J70	99.76	108.53	110.84	120.59	127.47	138.68
J75	108.54	115.09	120.60	127.88	138.69	147.06
J80	115.10	124.04	127.89	137.82	147.07	158.50
J85	124.05	130.44	137.83	144.93	158.51	166.67
J90	130.45	138.11	144.94	153.46	166.69	176.47
J95	138.12	145.50	153.47	161.67	176.49	185.92
J100	145.51	155.00	161.68	172.22	185.93	198.06
J105	155.01	160.55	172.23	178.39	198.07	205.15
J110	160.56	166.85	178.40	185.39	205.16	213.20
J115	166.86	176.60	185.40	196.22	213.21	225.66
J120	176.61	184.15	196.23	204.61	225.67	235.30
J125	184.16	200.50	204.62	222.78	235.32	256.19

$$\text{B.Wt.} = \frac{\text{wt.(kg)} \times 21.946}{\text{Pcs.} \times \text{Length}}$$

Weight in Kg of 21.946 (mtrs) for different widths					
1220 (mm)		1250 (mm)		1335 (mm)	
min.	max.	min.	max.	min.	max.
23.45	24.97	24.03	25.58	25.57	27.22
24.98	27.04	25.60	27.71	27.24	29.48
27.06	29.12	27.72	29.83	29.50	31.74
29.13	33.28	29.85	34.10	31.76	36.28
33.29	37.44	34.11	38.36	36.29	40.82
37.45	41.60	38.38	42.63	40.83	45.35
41.62	45.76	42.64	46.89	45.37	49.89
45.78	52.54	46.90	53.83	49.90	57.28
52.55	58.25	53.85	59.68	57.29	63.50
58.26	63.05	59.69	64.60	63.51	68.73
63.06	66.57	64.61	68.21	68.75	72.57
66.58	73.57	68.22	75.38	72.59	80.20
73.58	76.97	75.39	78.86	80.21	83.91
76.98	84.07	78.88	86.14	83.92	91.65
84.09	87.37	86.15	89.51	91.67	95.24
87.38	94.58	89.53	96.90	95.26	103.10
94.59	97.78	96.92	100.18	103.12	106.59
97.79	105.08	100.19	107.67	106.61	114.56
105.10	108.17	107.68	110.83	114.57	117.93
108.19	115.60	110.85	118.44	117.94	126.02
115.62	118.57	118.46	121.49	126.04	129.26
118.58	126.11	121.50	129.21	129.28	137.48
126.12	132.41	129.22	135.67	137.49	144.35
132.42	135.22	135.68	138.54	144.36	147.41
135.23	147.12	138.56	150.74	147.42	160.38
147.13	156.01	150.75	159.85	160.40	170.08
156.02	168.14	159.86	172.28	170.09	183.30
168.16	176.82	172.29	181.17	183.32	192.76
176.83	187.22	181.18	191.82	192.78	204.10
187.23	197.23	191.83	202.08	204.11	215.02
197.25	210.11	202.10	215.28	215.03	229.06
210.12	217.63	215.29	222.99	229.07	237.26
217.65	226.17	223.00	231.74	237.27	246.57
226.19	239.39	231.75	245.28	246.58	260.98
239.40	249.63	245.29	255.76	260.99	272.13
249.64	271.79	255.78	278.47	272.15	296.29